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Japan

Official: Shalikashvili Meets Kono, Eto, Nishimoto

*OW3110082295 Tokyo KYODO in English
0803 GMT 31 Oct 95*

[FBIS Transcribed Text] Tokyo, Oct. 31 KYODO — A top U.S. military officer told Japan on Tuesday [31 October] there is room left for further consolidation of U.S. military bases in Okinawa, a Foreign Ministry official said.

Gen. John Shalikashvili, chairman of the U.S. Joint Chiefs of Staff, made the comment during a meeting with Foreign Minister Yohei Kono at the Foreign Ministry.

Shalikashvili told Kono that the current level of U.S. troops in Okinawa has been adjusted to meet the new realities of the post-Cold War era and has not been left as it was in the Cold War days, according to the official.

"So there are certain limits, but the U.S. thinks there is sufficient room for further consolidation of U.S. bases," he was quoted as telling Kono.

The United States wants to do whatever it can on the issue in a way that would not contradict the aim of the Japan-U.S. Security Treaty, he was quoted as saying.

Kono told Shalikashvili that Japan's position of maintaining the bilateral security alliance remains unchanged and is consistent, the official said.

Kono also said Japan wants to discuss with the U.S. measures to ease the burden of Okinawa, where about 75 percent of U.S. military bases in Japan are located.

The Japanese foreign minister urged continued efforts and cooperation by the U.S. on the issue, the official said.

Touching on the visit by U.S. Defense Secretary William Perry to Japan, Shalikashvili told Kono that the problem surrounding the U.S. bases in Okinawa will be one of the most important items on the agenda to be discussed with the Japanese side, the official said.

Perry is likely to pledge Washington's maximum efforts to seek a solution to the problem, Shalikashvili said.

The rape in September of an elementary schoolgirl in Okinawa, for which three U.S. servicemen face trial, caused outrage in Okinawa, intensifying calls for a reduction in U.S. military facilities there.

In talks with Defense Chief Seishiro Eto, the general said that Washington is ready for a comprehensive review of bases in Okinawa, Defense Agency officials said. He also told Eto that the U.S. relations with Japan are its most important and that the military will work to improve the education of its 44,000 troops stationed in Japan.

In response, Eto said that the rape incident should spark both sides to frankly address problems in the bilateral security arrangement.

"We would like to qualitatively upgrade the bilateral security alliance, since we need a relationship of absolute mutual trust," Eto was quoted as saying.

In a meeting with his Japanese counterpart Gen. Tetsuya Nishimoto, Shalikashvili pledged to examine the operation of military bases in Okinawa if Washington gives relevant instructions.

The two top brass agreed that the U.S. military forces and the Japanese Self-Defense Forces will actively cooperate in a new bilateral consultation body should their governments request them to do so.

Shalikashvili said that the U.S. military leadership hopes to root out crime among its troops.

Key Members Endorse Coalition's U.S. Base Plan

*OW3110145795 Tokyo KYODO in English
1437 GMT 31 Oct 95*

[FBIS Transcribed Text] Tokyo, Oct. 31 KYODO — Prime Minister Tomiichi Murayama and key members of his cabinet Tuesday [31 October] endorsed in principle a plan calling for a cut in the U.S. military presence in Okinawa Prefecture to help break a deadlock over the compulsory leasing of land to U.S. forces on the southwestern Japanese island.

The government leaders, including Foreign Minister Yohei Kono and Defense Agency chief Seishiro Eto, agreed to "respect the plan to a maximum extent" in facing a series of talks they will hold Wednesday with visiting U.S. Defense Secretary William Perry focusing on the bases issue, government officials said.

The proposed reduction, mapped out by the three governing parties, also calls for consolidation and integration of U.S. bases in Okinawa, coalition officials said.

Some 75 percent of all U.S. military facilities in Japan are located in the prefecture, which accounts for a meager 0.6 percent of the nation's land area.

The three ruling parties drew up the compromise plan in the face of a refusal by Okinawa Gov. Masahide Ota to sign documents necessary to ensure the renewed leasing of land to the U.S. forces as a result of a furor over the rape of a local schoolgirl in early September, for which three U.S. servicemen have been indicted.

After putting together the scheme, coalition officials in charge of defense and diplomatic affairs called on Chief Cabinet Secretary Koken Nosaka at Murayama's official residence to present their proposals.

"I'm pretty sure we have crafted the best possible action program," Taku Yamasaki, chairman of the Policy Affairs Research Council of the Liberal Democratic Party (LDP), told reporters.

"We have reflected the voices of local people in our plan as far as possible," Yamasaki said, boasting of the coalition scheme.

The ruling coalition comprises the LDP, Murayama's Social Democratic Party and Finance Minister Masayoshi Takemura's New Party Sakigake [Harbinger].

Murayama is scheduled to meet the Okinawa governor Saturday to seek a breakthrough in a row between the central and prefectural governments over the issue of the forced rental of land.

But Ota has made it clear he will not change his mind on the matter even after his consultation with the premier.

Among other proposals, the coalition's compromise urges a deadline be set for implementing the return of land used for three U.S. military facilities in Okinawa as agreed upon by the two governments.

It also calls for imposing a deadline for consolidating 10 other facilities also as agreed upon by the two governments, while appealing to Tokyo and Washington to draft a program to scale down other facilities.

As for the Status of Forces Agreement, the compromise plan calls for detailing the problems of the pact before modifying it, as the pact has been in the spotlight since early September when the rape incident surfaced.

Going by the letter of the treaty, the U.S. military did not turn over the three servicemen suspected of raping the girl to Japanese law enforcement authorities until they were formally indicted by Japanese prosecutors.

The situation sparked a harsh outcry from local residents for a sweeping review of the treaty and a reduction in the U.S. military presence in Okinawa, leading to Ota's refusal to cooperate with the national government over the compulsory leasing of land owned by antiwar residents in Okinawa to the U.S. military.

The coalition plan also came on the eve of U.S. Secretary of Defense William Perry's separate talks with Foreign Minister Yohei Kono and Defense Agency chief Seishiro Eto.

Perry arrived in Tokyo on Tuesday to lay the groundwork for U.S. President Bill Clinton's summit with Murayama in Tokyo on Nov. 20, which is expected to reaffirm the importance of the current bilateral security regime.

Both Kono and Eto will focus on a possible reduction of the U.S. military presence in Okinawa within the framework of the Japan-U.S. security arrangement, Japanese officials said.

The efforts, though, may be of little use in persuading Ota to relent and cooperate with the national government on the issue of land leasing.

Nosaka, Murayama's main spokesman, said the premier will likely have to decide after his meeting with Clinton to take legal procedures and force unwilling landowners to continue leasing their land.

In accordance with the law on the forced rental of land for U.S. forces, the central government is preparing to have some 2,900 landowners agree to the continued lease of their land before the expiration of the current arrangements in March 1996 and May 1997.

But the landowners, who hold some 387,000 square meters of land within the boundaries of 13 U.S. Forces facilities, have refused to renew the leases.

If landowners and municipal leaders refuse to sign the necessary documents to lease the land, Japanese law requires the governor to sign them.

If the governor also refuses, the premier can file a suit demanding that the governor carry out his duties and if this is rejected again, the premier can sign on his behalf.

Officials Say Eto 'Will' Join Kono-Perry Talks

OW3110065395 Tokyo KYODO in English
0643 GMT 31 Oct 95

[FBIS Transcribed Text] Tokyo, Oct. 31 KYODO — Defense Agency chief Seishiro Eto will join in the talks between Foreign Minister Yohei Kono and U.S. Defense Secretary William Perry on Wednesday morning [1 November], Foreign Ministry officials said Tuesday.

Perry, who is to arrive in Japan later Tuesday for a three-day visit, was originally scheduled to hold seperate talks with Kono and Eto.

But since the contents of the discussions at the two seperate meetings are likely to overlap to a certain extent, the Japanese side decided eto should join the Kono-Perry talks, a ministry official said.

Eto and Perry, however, will hold a separate meeting after the session with Kono, the ministry said.

High on the agenda of the meeting of the top Pentagon official and the Japanese ministers are the realignment and consolidation of U.S. military bases in Okinawa Prefecture and preparations for U.S. President Bill Clinton's visit to Japan in November.

The abduction and rape of a Japanese elementary schoolgirl in Okinawa, for which three U.S. servicemen have been indicted, triggered a storm of calls in Japan for cutbacks of U.S. military bases in Okinawa and for revision of the bilateral pact on the status of U.S. military personnel in Japan.

Group Urges General Rollings' Resignation

OW3110125595 Tokyo KYODO in English
1228 GMT 31 Oct 95

[FBIS Transcribed Text] Naha, Japan, Oct. 31 KYODO — The head of an Okinawa labor group called Tuesday [31 October] for the resignation of the commander of U.S. Forces in Okinawa Prefecture to atone for the September rape of a local schoolgirl allegedly by three U.S. servicemen.

Masahiro Toguchi, chairman of the Okinawa chapter of the Japanese Trade Union Confederation (Rengo), urged Okinawa Gov. Masahide Ota to seek the resignation of Maj. Gen. Wayne Rollings over the rape.

Toguchi also said Rengo Okinawa plans to submit 150,000 signatures in its campaign to demand revisions to the Japan-U.S. Status of Forces Agreement which governs the status of U.S. military service personnel suspected of crimes in Japan.

Rengo Okinawa also plans a sit-in demonstration in Naha on Nov. 19-20 to coincide with a summit meeting between Prime Minister Tomiichi Murayama and U.S. President Bill Clinton.

They also plan to protest in Tokyo at Murayama's office, the Foreign Ministry and the U.S. Embassy.

"We have harnessed the anger of the 85,000 people who gathered at the (Oct. 21) mass rally and want to see it connected to the changing of the Status of Forces Agreement and the adjustment and reduction of the bases," Toguchi said.

Anti-U.S. Base Group Logs Flights in Area

OW3110021395 Tokyo KYODO in English
0058 GMT 31 Oct 95

[FBIS Transcribed Text] Yamaguchi, Japan, Oct. 31 KYODO — U.S. military aircraft have made more than 200 low-altitude flights over the mountain village of Kimita in Hiroshima Prefecture, western Japan, since October last year, a local anti-U.S. base citizens' group said Tuesday [31 October].

The group said the findings are based on data from eyewitnesses among local residents and U.S. military flight records made available from anti-U.S. base citizens' groups that monitor the Iwakuni base in Yamaguchi Prefecture in western Japan and the Atsugi base in Kanagawa Prefecture, west of Tokyo.

The group said local residents saw more than 270 low-altitude flights over their village, some 210 of which were identified as being those by U.S. military airplanes.

Of those 210, some 180 were from the Iwakuni base and the remainder from the Atsugi base, the group said.

"U.S. military aircraft come over at an altitude that is so low they seem to be about to crash into the nearby mountain. I feel a sense of danger over the body-shaking jet noise," said Takashi Enoki, a former elementary school principal in the village of Kimita who keeps a record of low-altitude flights over his village.

"Local residents will continue to be exposed to the danger of U.S. military aircraft crashes and face jet noise unless the U.S. bases are closed," a member of the group said.

A spokesman for the U.S. military stationed in Japan said the military cannot comment on its operations such as low-altitude flight drills, adding that flight drills in Japan are carried out as part of the Japan-U.S. Security Treaty.

Editorial Views SOFA Implementation Change

OW3110065095 Tokyo SANKEI SHIMBUN
in Japanese 27 Oct 95 Morning Edition p 2

[Unattributed editorial: "At Long Last, One Step Toward the Improvement of SOFA Implementation"]

[FBIS Translated Text] It has now become possible to transfer custody of off-duty U.S. military personnel suspected of committing crimes to the Japanese authorities before formal indictment. At long last, we see one step forward in resolving the Okinawa issue.

Under the Status of Forces Agreement [SOFA], which governs the rights and treatment of U.S. Forces Japan, when U.S. soldiers commit crimes, including murder, outside military bases, the suspects are detained on the bases until formal indictment. (Article 17, Section 5-C)

Although in the recent case of the rape of a schoolgirl, this arrangement had not actually obstructed the Okinawa Prefectural Police's investigations, the "inequality" of the system, as seen in the Japanese authorities' inability to have complete control over the suspects' custody, even in the case of violent crimes, was underscored. The seriousness of the crime also contributed to an overall infuriation of the Okinawans' sentiments, thus complicating a number of issues relating to Okinawa.

The agreement reached between Japan and the United States does not constitute an actual revision of SOFA, but is a sensible step in having more flexibility in the SOFA's implementation. If the Okinawa issue drags on, this will have an adverse effect on bilateral relations. The agreement also represents the utmost concession the United States was able to make in consideration of the situation. This may well be a first step toward disentangling a set of complicated issues.

However, it is too optimistic to think that this alone can lead to the smooth solution of the present problem in Okinawa. Unless a radical reduction of the U.S. bases, for which Okinawa has borne an excessively heavy burden for 50 years in the name of being the "keystone of the Far East," is undertaken to make the Okinawans really feel that the burden has become lighter, a final solution cannot be found.

On 4 November, Prime Minister Tomiichi Murayama will meet Okinawa Governor Masahide Ota for discussions. While the prime minister says he "aims at seeking a solution through discussions," concrete proposals are indispensable for the dialogue. What proposals will the prime minister have to offer?

There is no "specific" or "instant" cure for the Okinawa problem. Effects of the treatment will only come by taking diverse approaches. For this reason, there is a need to promote both short- term and mid- or long-term measures. The improvement of the SOFA's enforcement can be considered a short-term measure.

There are numerous steps that need to be taken in the mid- and long-term. The Japanese panel in the Japan-U.S. forum [on bilateral security issues] does not include any Self-Defense Forces [SDF] officers (there are military officers on the U.S. side). The retrenchment and consolidation of U.S. bases needs to heed the views of experts such as SDF officers. Furthermore, there will certainly be a need to find substitute bases and training grounds if the retrenchment and consolidation of bases is to be undertaken without sacrificing the military capability of the U.S. Forces, according to Defense Secretary William Perry.

People on the Japanese mainland need to be persuaded about the importance of security, and asked to bear an additional share of the burden imposed by the U.S. bases. In doing this, we will also have to rely on the prime minister's leadership.

Editorial on SOFA's 'Improvement,' Security Ties

OW3110061095 Tokyo YOMIURI SHIMBUN in Japanese 27 Oct 95 Morning Edition p 3

[Unattributed editorial: "The Security Alliance Must Not Be Destabilized"]

[FBIS Translated Text] An agreement has been reached on ways to improve the enforcement of the Japan-U.S. Status of Forces Agreement [SOFA], which was being negotiated in the aftermath of the rape of a schoolgirl by U.S. soldiers stationed in Okinawa. Custody of U.S. military personnel suspected of committing major crimes can now be transferred to the Japanese authorities even before formal indictment.

This can well be considered a realistic measure of improvement.

There are those who would like to see the revision of SOFA, rather than just an improvement in its implementation.

However, SOFA revision may directly affect the bilateral security treaty. Therefore, ample time should be spent in studying this issue as a mid- or long-term problem.

With regard to the refusal by Okinawa Governor Masahide Ota to undertake proxy signing procedures for the forced use of land for U.S. military bases, it has been decided that Prime Minister Tomiichi Murayama will meet Governor Ota on 4 November for discussions. On the U.S. side, on the eve of his visit to Japan by the end of October, Defense Secretary William Perry has shown a flexible attitude toward the adjustment of U.S. bases on the premise that the U.S. military's capability will be maintained.

In the ruling parties, work on formulating measures to retrench U.S. bases and plans to expand economic development projects on Okinawa is in progress.

At long last, there seems to be a general atmosphere conducive to finding a solution to the "Okinawa" issue.

It is noteworthy that all the above steps are being taken with a full appreciation of the importance of the Japan-U.S. security arrangements. We need to recognize the significance of the growth of such an atmosphere.

However, the three ruling parties should not indulge in impractical spur-of-the-moment plans and proposals. If they result in growing expectations on the part of the Okinawans, but are not implemented in the end, this will complicate the problem, and the security alliance's credibility will suffer.

Behind the Okinawan people's indignation over the rape incident and Governor Ota's refusal to undertake proxy signing of land documents is the unique position of Okinawa, where 75 percent of the military bases of U.S. Forces Japan are concentrated. This is partly demonstrated by the size of the crowd — around 60,000 — which participated in the recent mass rally of Okinawans.

We do not need to be reminded that considering the burden on Okinawa, the reorganization and retrenchment of U.S. bases should be promoted as much as possible within the bounds of the bilateral security arrangements.

It is also a step forward that an agreement has been reached to create a new forum between the two countries to discuss additional bases and facilities to be considered for reduction. We hope the two governments will discuss in good faith whether there are additional troops, sites, and facilities that can be reorganized or consolidated, or transferred to the Japanese mainland.

In the forthcoming series of discussions, the viewpoint that "the Japan-U.S. security alliance must not be destabilized" should not be forgotten.

The bilateral security alliance contributes not only to Japan's security, but also to peace, stability, and prosperity in Asia and the Pacific. Especially after the end of the Cold War, it plays the important role of securing the U.S. presence, which is an indispensable stabilizing factor in this region. Many Asian countries approve of this alliance.

Needless to say, the strategic significance of the U.S. bases in Okinawa, where nearly 30 percent of U.S. Forces in the region are stationed, cannot be underestimated. For this reason, the approach to the "Okinawa" issue should always be rational and realistic.

If, unfortunately, an erroneous approach to this problem results in a breakup in the security arrangements, the overall Japan-U.S. relationship is bound to face a major crisis.

To find a solution through discussions, we hope the government and the ruling parties will do everything in their power.

Editorial on Accord With U.S. on SOFA Change

OW3110045995 Tokyo ASAHI SHIMBUN in Japanese 31 Oct 95 Morning Edition p 5

[Unattributed editorial: "Will This Be the First Step?"]

[FBIS Translated Text] More than 50 days after the tragic incident that led to the explosion of the Okinawan people's fury over the heavy burden imposed by the U.S. military bases, the Japanese and U.S. Governments agreed on ways to improve judicial procedures under the bilateral Status of Force Agreement [SOFA].

That a conclusion was reached in such a short period for an issue left untouched for nearly a quarter of a century after Okinawa's reversion to Japanese administration is the result of the sense of crisis on both sides that there is a need to appease public opinion in the country, and that the issue must not be allowed to lead to a weakening of the bilateral security setup.

The U.S. side had a deeper sense of crisis immediately after the incident occurred. The United States made concessions despite the negative attitude of some U.S. Government officials, who give more importance to balancing the SOFA's with the ROK and other allies, because it keenly felt that the pillar of U.S. security strategy is built on "thin ice" — Okinawa.

For the Foreign Ministry, whose position in the SOFA negotiations has been "there will be no SOFA revision," it has probably cleared one major hurdle. Foreign Minister Yohei Kono said that through this agreement, the "most important part" of SOFA will be improved.

It is indeed one achievement that U.S. soldiers suspected of committing violent crimes can now be turned over to the Japanese authorities even before formal indictment. However, events have developed to an extent rendering this improvement less than the "most important" one.

The issues being raised in relation to the SOFA and its enforcement are not limited to the question of inequality of judicial procedures.

The U.S. Department of Defense submitted its "Report on Japan-U.S. Security Relations" to Congress more than six months ago. The paper emphasized that the Japanese people understand the role played by U.S. Forces Japan [USFJ] in the stability of East Asia. It claimed that the U.S. Forces are "good neighbors" in the local communities around the bases, and they "strive to ensure that the inconvenience brought on by military exercises to the daily lives of the residents is limited to a minimum."

However, the affected local governments have come out with their demands for remedial measures with regard to the use of air and sea areas by the U.S. Forces, and the low altitude flight exercises. The need to coordinate with civilian economic activities has also been pointed out on various occasions.

Growing financial support for the USFJ, which takes the unusual form of incremental increases through the renewal of the bilateral special agreement, constitutes bilateral cooperation in excess of the framework envisioned by the SOFA. It is time to seek a public consensus in both countries on why this is necessary, and both governments should renew efforts to coordinate their views.

We must understand that issues arising from the incident in Okinawa have now come to include the greater questions of how to improve the situation in Okinawa, where there is a concentration of military bases to an extent unseen elsewhere in the world, and what needs to be done to improve the overall Japan-U.S. security system.

First, we need to look at the refusal of Governor Masahide Ota of Okinawa to undertake proxy signing procedures for the forcible use of land for military bases.

In preparation for his discussions with Governor Ota, Prime Minister Tomiichi Murayama needs to make a decision to meet the demands of the local residents, including adding the Futenma Airfield to the list of facilities to be negotiated for return. This will be one step in the direction of meaningful reorganization and consolidation of U.S. bases in the future.

The prime minister has also said that if necessary, the SOFA can be revised. He needs to reassess the present situation and come up with a decision promptly.

Even if all the bases and facilities the Japanese Government is considering are returned to Okinawa, there will not be a tangible reduction in the heavy burden imposed on Okinawa by the military bases. The current situation is not one that can be papered over with empty promises.

Defense Secretary William Perry and other U.S. officials have made statements showing a positive attitude toward the "adjustment" of bases in Okinawa. It is a matter of course that steps should be taken with the U.S. Government to find a solution to maintain a stable military capability.

It is really strange that senior Japanese officials are all saying "the United States does not intend to reduce its military capability," while nobody cares to explain the Japanese Government's views on the Japan-U.S. security arrangements.

Yeltsin Said in Hospital for 'Prolonged Period'

OW3110015795 Tokyo YOMIURI SHIMBUN in Japanese 28 Oct 95 Morning Edition p 5

[Article by Toshikazu Seguchi]

[FBIS Translated Text] Moscow, 27 Oct — On 27 October, Russia's Press Secretary Sergey Medvedev said that President Boris Yeltsin would be hospitalized for a prolonged period of time. He said Yeltsin "will be placed under the doctors' strict observation until the end of November." Therefore, President Yeltsin will for practical purposes stay away from the political stage until the State Duma election in December.

According to the press secretary's announcement on the doctors' diagnosis of the president, "the examination at 1230 on 27 October showed blood circulation of the cardiac muscles remained unstable. There is no sign of cardiac insufficiency right now, but he is receiving intensive treatment."

Medvedev further said that the president had spent his first day in the hospital "quietly," with "normal blood pressure and body temperature."

On the other hand, Prime Minister Viktor Chernomyrdin talked to reporters at an economic conference on 27 October about Yeltsin's health problems, saying: "After his first illness in July, he had not completely recovered. And, his health was affected by his making the trip to the United States while he had a slight cold." Chernomyrdin added that Yeltsin's health "is no cause for serious concern." Moreover, when he was asked if the "absence of the president" would not have an adverse effect on the State Duma election in December, he flatly said "absolutely none."

Leading political parties have not shown any conspicuous moves after Yeltsin was re-hospitalized. However, the influential paper SEGODNYA (27 October issue) reported that Chairman Viktor Ilyukhin of the Security Affairs Committee of the State Duma, who is from the Communist Party, announced on 26 October his demand for Yeltsin's resignation on account of his bad health. The opposition parties are likely to strengthen their attack on the government in the future.

Trade Talks With Russia Scheduled for Nov

OW3010105095 Tokyo KYODO in English 0824 GMT 30 Oct 95

[FBIS Transcribed Text] Tokyo, Oct. 30 KYODO — Japan and Russia will hold meetings Nov. 9-10 in Moscow of three subcommittees established under a cabinet-level forum to discuss bilateral trade and economics, the Foreign Ministry said Monday [30 October].

The two-day talks will be held in preparation for the first cabinet-level meeting, to be chaired by Japanese Foreign Minister Yohei Kono and Russian First Deputy Prime Minister Oleg Soskovets, the ministry said.

The date of the cabinet-level meeting has not yet been fixed.

The subcommittees were set up last July to discuss removing obstacles to developing bilateral trade and economic relations to discuss Japan's support for Russia's shift to a market-oriented economy, and to discuss economic ties between Japan and Russia's far east region.

The subcommittees are to hammer out specifics before the cabinet-level meeting.

Japanese officials from the foreign, finance, trade and agricultural ministries and the Economic Planning Agency will attend the subcommittee meetings. Russian officials include those from the Ministry of External Economic Relations and the Ministry of Economy, the ministry said.

EU Accused of Foot-Dragging Over Audio Tapes

OW3110055595 Tokyo KYODO in English
0358 GMT 31 Oct 95

[FBIS Transcribed Text] Geneva, Oct. 31 KYODO — Japan accused the European Union (EU) on Monday [31 October] of using delaying tactics to block the adoption of a recommendation by a GATT dispute-settlement panel that the EU revoke its antidumping duties on Japanese-made audiocassette tapes.

Trade sources said a Japanese representative at a meeting of the antidumping committee of the soon-to-be-extinct General Agreement on Tariffs and Trade (GATT) leveled the charge after an EU representative asked for postponement of the adoption of the panel's recommendation by the committee.

The sources quoted the EU representative as saying, "we are still studying the implications."

The Japanese representative demanded an early debate and adoption of the GATT panel recommendation by the end of December, saying, "we are almost at the end of the life of this committee."

GATT is to become extinct at the end of December. The global trading community earlier agreed to allow GATT to coexist with the World Trade Organization (WTO) — which was launched on Jan. 1 — for one year to allow it to process the backlog of trade disputes.

Although GATT stops existing at the end of 1995, the agreement allows the GATT antidumping committee to be maintained until the end of 1996 to try to eliminate the backlog.

GATT rules prescribe that a recommendation by a GATT dispute-settlement panel can be overturned on the strength of a sole dissenting vote, whereas WTO rules mandate that such recommendations can be adopted even with only a single vote in favor of it.

The dispute began in May 1991, when the then European Community (now EU) slapped antidumping duties ranging from 15.2 to 25.5 percent on imports of Japanese-made audiocassette tapes after determining that dumping margins ranged from 44.5 to 64.2 percent.

The GATT dispute-settlement panel recommended in April that the EU reconsider its antidumping determination to comply with its obligations under GATT rules.

It recommended that the EU revoke its antidumping levies and reimburse the duties collected if an EU reconsideration resulted in a determination that the imported product was not dumped.

Officials Agree on Possible Asia-EU Summit

OW2810115195 Tokyo KYODO in English
1129 GMT 28 Oct 95

[FBIS Transcribed Text] Tokyo, Oct. 28 KYODO — Senior officials from 10 Asian countries agreed Saturday [28 October] on a draft proposal for possible topics to be discussed at a planned Asia-Europe summit meeting next March, a Foreign Ministry spokesman said.

The Asian side will present its proposal to the European Union (EU) side at a joint preparatory meeting scheduled for Dee. 19-20 in Madrid and iron out the agenda before the first-ever Asia-EU summit meeting to be held March 1-2 in Bangkok, the spokesman said.

Officials from some 25 nations are expected to attend the gathering.

Among topics the Asian side agreed as possible to be discussed are the role of the United Nations and creating a new world order in the post-Cold War era, the spokesman said.

Nuclear nonproliferation, nuclear disarmament and arms control also were cited as possible topics, he said.

In the economic arena, the Asian officials agreed that the progress of trade liberalization based on multilateralism and open regionalism should be discussed, the spokesman said.

Cooperation between Asia and Europe on development, such as beefing up infrastructure and fighting poverty, global environmental problems, terrorism, international crimes and cultural cooperation were also cited as issues for possible discussion at the summit meeting.

The senior officials from seven members of the Association of Southeast Asian Nations (ASEAN), Japan, South Korea and China attended the second preparatory meeting for the Asian side.

The first preparatory meeting on the Asian side was held in Phuket, Thailand, in September.

The leaders of 15 EU member countries and the EU's executive arm, the European Commission are expected to attend the summit meeting in March.

The Asian side will comprise the seven ASEAN members — Brunei, Indonesia, Malaysia, the Philippines, Singapore, Thailand and Vietnam — and China, Japan and South Korea.

Murayama, Germany's Kinkel Hold Talks

OW3110122395 Tokyo KYODO in English
1126 GMT 31 Oct 95

[FBIS Transcribed Text] Tokyo, Oct. 31 KYODO — Prime Minister Tomiichi Murayama made a pitch Tuesday [31 October] for close cooperation between Japan and Germany in making a success of the planned Asia-Europe summit next March.

The premier spoke of the need for such cooperation in a meeting at his official residence with German Foreign Minister Klaus Kinkel, a Foreign Ministry official said.

Murayama told Kinkel that Asia and Europe should promote interregional cooperation and secure world development, the official said.

The first-ever Asia-Europe summit is scheduled for March 1-2 in Thailand for an exchange of views on a new world order in the post-Cold War era and other global issues.

Kinkel, in Japan for regular Japan-Germany foreign ministerial talks, said Germany attaches importance to the planned parley and added it may send German Chancellor Helmut Kohl as a representative.

The German foreign minister also called on Japan to play a visible role in rebuilding the Former Yugoslavia, according to the official.

Murayama replied that Tokyo is ready to extend humanitarian assistance to the civil war-devastated area, the official said.

Kinkel arrived in Tokyo on Tuesday afternoon. He will leave Japan on Thursday.

Tokyo Plans To Extend Aid Package to Jordan

OW2910091795 Tokyo KYODO in English
0845 GMT 29 Oct 95

[FBIS Transcribed Text] Amman, Oct. 29 KYODO — Japan will provide Jordan with a 215 million dollar aid package, including a $135 million loan, to help alleviate its foreign exchange shortage, Japanese officials said Sunday [29 October].

Parliamentary Vice Foreign Minister Yasuo Fukuda notified Jordanian officials in Amman of the Japanese aid package, the officials said.

The two countries later signed a contract for the $135 million loan, which will be extended by the Export-Import Bank of Japan.

Jordan will use the Japanese aid to pay for imports, the officials said.

Fukuda is currently in Amman to attend an economic summit of the Middle East and North Africa.

During his Mideast trip in September, Prime Minister Tomiichi Murayama told Jordan's King Hussein that Japan would offer an aid package to Amman.

Tokyo To Back Kitakyushu Project to Dalian

OW3010012995 Tokyo KYODO in English
0053 GMT 30 Oct 95

[FBIS Transcribed Text] Tokyo, Oct. 30 KYODO — The government will use its official development assistance to fund efforts by Kitakyushu in western Japan to improve the environment in the northern Chinese city of Dalian, the Foreign Ministry said Monday [30 October].

It is the first time for the government to assist a local government cooperation project, ministry officials said.

Pollution in Dalian is worsening and in 1994, the Chinese Government classified the city as a special zone for environmental protection in which economic development and environmental preservation can coexist, they said.

Kitakyushu was already assisting Dalian with its environmental preservation effort before the classification, by preparation of a manual for monitoring pollution and textbooks on the environment.

But the ministry officials said aid from the Japanese city is not enough to help Dalian with big projects like the installation of devices to remove pollutants such as sulfur from factory emissions.

Dalian city authorities approached the Chinese Government to ask that their city receive the Japanese Government assistance.

In the first stage, the government-funded Japan International Cooperation Agency will conduct a survey in the coming financial year of development in the Dalian area and draw up a plan for environmental preservation, the officials said.

The officials said they are hoping to then supply yen loans for carrying out of the plan.

A total of 19 prefectures and nine cities in Japan were giving aid to China for environment assistance as of the end of 1994, mostly in the form of personnel training or the dispatch of experts, the officials said.

Tokyo Agrees on FY95 Yen Loans to PRC

OW3110070495 Tokyo KYODO in English
0545 GMT 31 Oct 95

[FBIS Transcribed Text] Tokyo, Oct. 31 KYODO — Japan agreed Tuesday [31 October] to extend China 141.4 billion yen in official yen loans for fiscal 1995 to help finance 11 projects, the Foreign Ministry said.

The loan is the last of Japan's third set of a five-year, 810 billion yen loan for China for fiscal 1990-95 period.

Chinese Vice Foreign Minister Tang Jiaxuan and Japanese Ambassador to China Yoshiyasu Sato exchanged documents on the Japanese aid earlier in the day in Beijing.

The loan will cover projects to upgrade an airport in Beijing, build railroads and set up a thermal power plant in Jiangxi Province.

The 30-year-loan, with a grace period of 10 years, carries with it an annual interest rate of 2.3 percent.

The latest loan brought the total amount of Japanese yen loans to China since 1979 to 1.68 trillion yen.

To protest against China's repeated nuclear tests, Japan announced in August it would freeze grants-in-aid to China, except for those intended as humanitarian aid.

Despite calls from some politicians, Tokyo has said it will not stop yen loans to China.

Documents Exchanged on Yen Grant to Burma

OW3010083495 Tokyo KYODO in English
0641 GMT 30 Oct 95

[FBIS Transcribed Text] Tokyo, Oct. 30 KYODO — Japan will grant Myanmar [Burma] 1.62 billion yen to finance a project to enlarge a university to train nurses as the first large-scale Official Development Assistance (ODA) to Myanmar since it released pro-democracy leader Aung San Suu Kyi in July, the Foreign Ministry said Monday [30 October].

Japanese Ambassador to Myanmar Takashi Tajima and Win Tin, Myanmar's finance minister, exchanged documents on the aid in Yangon [Rangoon], the ministry said.

The Japanese aid will be used to build university buildings and purchase necessary equipment for the training.

According to the ministry, there are only two nurses for every 10,000 people in Myanmar.

Japan suspended ODA to Myanmar after a military coup in 1988 and has limited its aid to small-scale humanitarian aid.

A senior ministry official has said Japan will decide whether or not to resume yen loans to Myanmar by watching the progress of democratization in the country.

Tokyo, Hong Kong Agree on Aviation Pact

OW3010094595 Tokyo KYODO in English
0007 GMT 28 Oct 95

[FBIS Transcribed Text] Tokyo, Oct. 28 KYODO — Japan and Hong Kong reached basic agreement Friday [27 October] to maintain the current framework of the bilateral aviation treaty beyond the British colony's reversion to China in 1997, Japanese officials said.

Under the Japan-Hong Kong aviation pact, Japanese airline companies operate 77 passenger and cargo flights a week, compared with 88 flights by the Hong Kong side.

The Hong Kong Government is expected to take the necessary legal procedures to get China's approval for the agreement after Japan and Hong Kong initial it in late November.

The agreement will go into effect in July 1997 when Hong Kong will be returned to Chinese rule.

Under the 1984 joint declaration on Hong Kong's return to China, the British and Chinese Governments agreed to maintain the capitalist system in the British Colony for 50 years after the reversion.

The two sides also agreed to continue granting the Hong Kong Government a right to conclude aviation pacts after 1997.

MOF Official To Visit U.S. on Daiwa Case

OW3110062895 Tokyo KYODO in English
0541 GMT 31 Oct 95

[FBIS Transcribed Text] Tokyo, Oct. 31 KYODO — The Finance Ministry will send the no. 2 man in its banking bureau to the United States to explain why it delayed informing U.S. federal banking regulators of Daiwa Bank's $1.1 billion loss in trading U.S. treasury securities, ministry officials said Tuesday [31 October].

Sei Nakai, the bureau's deputy director general, will visit the Federal Reserve Board, the New York state superintendent of banks and other regulatory agencies to explain the ministry's response after it received a report from the bank Aug. 8, the officials said.

The ministry was criticized by the U.S. after it came to light that it had then delayed informing the U.S. financial authorities of the loss at Daiwa Bank's New York branch by a trader who admitted to falsifying financial records to hide the loss, in violation of U.S. banking regulations.

The ministry reported the trading loss to the U.S. banking authorities Sept. 18, 41 days after then Daiwa Bank President Akira Fujita reported the situation to Yoshimasa Nishimura, the bureau's director general and Nakai's immediate superior.

Fujita said he disclosed to Nishimura the contents of a letter sent in July from Toshihide Iguchi, a bond trader at the bank's New York branch, in which Iguchi revealed he had racked up the 1.1 billion dollar loss over more than a decade, and concealed it.

The ministry told a news conference Oct. 9 that, after Fujita's disclosure, Nishimura had quickly instructed the bank to investigate the incident.

Nakai will tell the U.S. banking regulators that even when the ministry becomes aware of a problem at a financial institution, it is customary for the institution to carry the primary obligation to conduct an internal probe of what happened and report its findings to the ministry, the officials said.

Nakai will also tell the U.S. regulators that the delay is attributable to the ministry's desire to convey accurate information to the U.S. side, rather than the initial information from Iguchi, whose accuracy was still questionable at the initial stage, they said.

In addition, Nakai will explain how the ministry plans to respond to a plan to be submitted by Daiwa Bank on Tuesday to the ministry on how it will improve its supervision of traders, they said.

After the ministry's delay in alerting the U.S. authorities drew fire, Finance Minister Masayoshi Takemura telephoned U.S. Treasury Secretary Robert Rubin earlier this month to explain the situation.

However, the officials said the ministry has decided that it must still send a senior ministry official directly in charge of the matter to the U.S. to secure understanding of the ministry's response.

Vice Minister To Join Nakai

OW3110132995 Tokyo KYODO in English
1233 GMT 31 Oct 95

[FBIS Transcribed Text] Tokyo, Oct. 31 KYODO — The Finance Ministry is sending a top official to Washington to explain the ministry's actions against scandal-ridden Daiwa Bank to U.S. regulators, ministry officials said Tuesday [31 October].

The officials said Takatoshi Kato, vice finance minister for international affairs, who is currently visiting Europe, has been ordered to Washington to join another official dispatched by the ministry.

Sei Nakai, deputy head of the ministry's banking bureau, has already been sent to Washington.

The officials said Kato will meet U.S. federal banking regulators, including Deputy Treasury Secretary Lawrence Summers, on measures to be taken by the Japanese Government to improve the management of Daiwa Bank.

They will also exchange views on the "Japan premium," an interest rate surcharge levied by U.S. and European banks on loans to Japanese financial institutions, the officials said.

Daiwa suffered a $1.1 billion loss in unauthorized U.S. bond trading by a former employee at its New York branch over the past decade.

The Finance Ministry was accused of failing to take prompt action over the affair and for delaying notification of the case to U.S. regulators.

The ministry reported the case to U.S. authorities Sept. 18, 41 days after Daiwa Bank president Akira Fujita informed banking bureau head Yoshimasa Nishimura.

Finance Minister Masayoshi Takemura reported the situation in a telephone coversation with U.S. Treasury Secretary Robert Rubin, but considered it better to seek U.S. understanding of the case through face-to-face meetings at the subcabinet level between the two countries, the officials said.

Action on Daiwa Expected After U.S. Judgment

OW3110034895 Tokyo KYODO in English
0210 GMT 31 Oct 95

[FBIS Transcribed Text] Tokyo, Oct. 31 KYODO — The Ministry of Finance (MOF) will take appropriate action against Daiwa Bank's financial fraud after taking into account the judgment of U.S. judicial and financial authorities, Finance Minister Masayoshi Takemura said Tuesday [31 October].

"We have to be certain of U.S. formal opinions on this issue before making our own decision," Takemura said at a news conference after a regular cabinet meeting.

Daiwa Bank is expected to present to the ministry its operation improvement plan later in the day.

Takemura said Daiwa's plan will be one of materials for the ministry's decision.

Asked about the timing of the action, Takemura wondered if the ministry could decide on the action within the week, though adding, "it may not take much longer."

Daiwa Bank incurred a 1.1 billion dollar loss through unauthorized bond trading at its New York branch, which is under investigation by U.S. authorities.

Banks' Branches To Face Strict Inspections

OW3110091795 Tokyo YOMIURI SHIMBUN in Japanese 29 Oct 95 Morning Edition p 6

[FBIS Translated Text] The Ministry of Finance [MOF] on 28 October confirmed its plan to significantly strengthen the inspection of Japanese banks doing business abroad. Japanese banks are rapidly falling into discredit in the international financial market following the Daiwa Bank New York branch's illegal transactions of U.S. Government bonds. The MOF judged that it is necessary to strengthen the inspection system of foreign branches, which has tended to be taken lightly, to prevent the recurrence of similar cases and to eliminate anxiety in the financial market.

In addition to the old inspection methods, the ministry will include the following new concrete measures: 1) to require banks to report the results of their own internal audit of foreign branches to the MOF; 2) to take punitive actions if the reports from banks and the real situation are different, and 3) to increase the number of surprise inspections of foreign branches. The MOF is trying to show foreign countries a strict stance as a financial authority. After the MOF discusses the details expeditiously, the director general of the Banking Bureau will issue notifications, and the new plan will be carried out as early as within 1995.y

The MOF started full-fledged inspections of Japanese banks' foreign branches in 1990, and has sent inspectors from the ministry to the branches for on-the-spot inspections — about once every two to three years — at the same frequency as inspections of domestic branches. However, since a small number of inspectors has to check many things within a limited period of time, the inspections actually give great weight to testimonies from the banks themselves. Moreover, in many cases, foreign branches are inspected when parent banks in Japan are inspected, hence, banks can tell the timing of the inspections. Thus, there has been criticism that inspections of foreign branches have tended to be lenient compared to those of parent banks.

The MOF inspected the Daiwa Bank New York branch in 1989 and 1994, but it failed to discover a former Daiwa Bank employees's illegal transactions.

Now that the MOF cannot expect an increase in the number of inspectors because of administrative reforms, it has decided that by strengthening the efficiency of internal audits by banks themselves overall inspections will be made efficient.

Gas Station Network To Sell U.S. Auto Parts

OW3010111095 Tokyo KYODO in English 1022 GMT 30 Oct 95

[FBIS Transcribed Text] Tokyo, Oct. 30 KYODO — Japan Energy Corp. announced Monday [30 October] it has agreed with U.S. auto parts maker Tenneco Automotives to sell Tenneco's auto parts at its gas station network from next year.

The major oil distributor plans to sell shock absorbers and other parts manufactured by the U.S. company at about 1,000 stations for the time being, and expand gradually to other stations, the company said.

Shock absorbers have been categorized as important maintenance parts by the Transport Ministry and only equipped factories have been permitted to deal with them.

Shops and gas stations became able to sell shock absorbers from Oct. 20 due to an agreement in auto talks between Japan and the United States.

Team With IBM Announces Storage Breakthrough

OW3010132895 Tokyo KYODO in English 1138 GMT 30 Oct 95

[FBIS Transcribed Text] Nagoya, Oct. 30 KYODO — A professor at a Nagoya college said Monday [30 October] his research team has jointly succeeded with a U.S. laboratory to directly observe an optical mark as small as 0.2 microns stored on a magneto-optical disk for the first time by using magnetic force microscopy.

Takao Suzuki, professor at Toyota Technological Institute, said the achievement jointly made with the IBM Almaden research center will lead to a breakthrough in developing an ultra-high density optical recording system.

Suzuki said the research team first wrote extremely small marks onto a magneto-optical storage disk with a laser beam, adopting the near-field optical method developed by International Business Machines Corp.

Then the team succeeded in observing the marks with high contrast and high resolution by improved magnetic force microscopy, he said.

Of the marks, the smallest was 0.2 microns. One micron is equivalent to one-1,000th of a millimeter.

Of the magneto-optical recording systems currently in practical use, the one with the best quality can write 0.7 microns.

Suzuki said a written mark size of 0.2 microns corresponds to a memory capacity of 10 gigabit (the 10th power of 10 bit) per square centimeter, enabling 300 to 400 compact disks, each of which contains information equal to an encyclopedia, to be recorded.

His team will try to write a mark of 0.1 micron by the end of the year, Suzuki said.

Suzuki intends to report on the success at an international meeting on magnetism beginning Nov. 6 in Philadelphia.

Firms Viewing Possible PRC Tax Revision

OW3010113195 Tokyo NIHON KEIZAI SHIMBUN in Japanese 29 Oct 95 Morning Edition p 7

[By Michio Sakamura]

[FBIS Translated Text] Hong Kong, 28 Oct — The Chinese Government is expected to abolish its preferential taxation systems, including the tax exemption for machinery and equipment imported by foreign firms, starting in January 1996, which is keeping Japanese firms busy collecting information. According to local authorities under the jurisdiction of Guangdong Province, the abolishment will be conditional, not complete, as was originally planned. However, this will surely increase the cost of doing business in China. Some companies are hurriedly drawing up measures, including a review of their investment plans.

According to a survey by the Hong Kong branch of the Japan External Trade Organization (JETRO), it is certain that the tax exemption for machinery, equipment, and raw materials imported by foreign firms will be abolished from 1 January 1996, even though the Chinese Government has not yet given official notification. A concerned source disclosed that the Chinese Government will set up grace periods as an interim measure only for import applications received by 30 December 1995. It will give two-year tax exemptions for investments over $30 million, beginning in January 1996, and will give one-year exemptions for investments of less than $30 million.

However, this source has not mentioned the tax rate for the immediate future. He only said that the tax rate will be reduced to an average of 18 percent in five to 10 years.

An electronic parts producer who moved into Dongguan City in Guangdong Province said: "We plan to increase production. We will have to think of tax saving measures, such as frontloading our investment." Due to the uncertainty of future tax rates, the company is having a hard time and is unable to make decisions until the last moment.

Meanwhile, partly because of this talk of revising the preferential tax system for Special Economic Zones, a Japanese information equipment maker in the Shenzhen Special Economic Zone (in Guangdong Province) says: "We have started all over again looking into where in the world, including the Southeast Asian nations, production costs are low." He is expressing caution about Shenzhen investments, which the company has undertaken consistently.

This issue is arousing people's interest, because it also bears on the macroeconomic question of whether revising the preferential taxation systems will bring a temporary increase in investments to beat the deadline or will result in a cooling of the investment fever.

Hashimoto Pledges To Help Manufacturers

OW3110034995 Tokyo KYODO in English 0207 GMT 31 Oct 95

[FBIS Transcribed Text] Tokyo, Oct. 31 KYODO — International Trade and Industry Minister Ryutaro Hashimoto said Tuesday [31 October] the Liberal Democratic Party (LDP) will do its utmost to help manufacturers regain their international competitiveness.

At a news conference, Hashimoto, who is also the LDP president, said he made the pledge during a breakfast meeting with leaders of the Federation of Economic Organizations (Keidanren), the most powerful business lobby in Japan.

"I told Keidenren leaders it is necessary for the government to take action so that manufacturers will stop fleeing to foreign countries," said Hashimoto.

"Comparative advantage of Japanese manufacturers is declining," Hashimoto said.

He then said he promised to Keidenren that the LDP, the largest force in the three-party ruling coalition, would strive to forge ways to make domestic manufacturing attractive for Japanese corporations through its research commission on the tax system.

Survey: 'Company Pressure' Linked to Unemployment

OW3110034595 Tokyo KYODO in English 0310 GMT 31 Oct 95

[FBIS Transcribed Text] Tokyo, Oct. 31 KYODO — Many unemployed people, and especially those aged over 50, quit their jobs under pressure from their companies to retire, a survey by the Labor Ministry showed Tuesday [31 October].

The survey was conducted in September at public employment security offices nationwide, and received responses from about 2,100 unemployed people who had quit jobs for what they said were "personal reasons," but who were seeking new jobs.

The ministry asked them for the real reasons they had stopped working, and found that a total 17.7 percent of respondents in all age groups had left their previous work under pressure from their employers to retire.

Among respondents aged 50 or more, 23.8 percent said they had retired due to such pressure to enter "voluntary retirement."

Of the respondents, 73.2 percent further said that they had found it more difficult to find new jobs than they had expected, given the currently severe employment situation.

The higher the age of the unemployed people surveyed, the higher was the ratio of those who had retired under company pressure, the survey showed.

On the other hand, about 39 percent of people under 30 who had voluntarily quit their jobs replied that the reasons for doing so had been bad working conditions, such as low salaries, long working hours and insufficient holidays, according to the survey.

Murayama Leads Antigun Convention in Tokyo

OW2810045995 Tokyo KYODO in English 0438 GMT 28 Oct 95

[FBIS Transcribed Text] Tokyo, Oct. 28 KYODO — Prime Minister Tomiichi Murayama led some 1,400 people Saturday [28 October] in calling for a nationwide fight against guns, renewing a pledge to make Japan free of unregistered guns.

Among the participants in the rally were family members and friends of people killed in shootings.

Murayama told the convention that the Japanese people are increasingly worried about the spread of guns and it is important to raise public awareness of the need for strict gun control in Japan.

The participants adopted a resolution vowing to make Japan a safe place to live. The resolution was read out by classmates of 16-year-old high school student Hiromi Maeda, who was killed by a robber in Tokyo's western suburb of Hachioji in July while working in a supermarket.

Emiko Hattori, mother of Yoshihiro Hattori, expressed concern before attending the antigun meeting at Hibiya public hall that her appeal for gun control in the United States after the death of her 16-year-old son in 1992 is losing momentum because of the growing frequency of gun-related crimes in Japan.

Murayama came to the meeting after attending an annual memorial service at the Defense Agency for Self-Defense Forces personnel who died while on duty.

Kubo Prepared To Form New Party 'Independently'

OW3110034695 Tokyo KYODO in English 0147 GMT 31 Oct 95

[FBIS Transcribed Text] Tokyo, Oct. 31 KYODO — Wataru Kubo, secretary general of the Social Democratic Party (SDP), said Tuesday [31 October] his party is putting the proposed alliance with New Party Sakigake [Harbinger] on hold and instead is prepared to form a brand new party independently.

In a meeting with SDP-backed labor union leaders, Kubo said time is running out for Prime Minister Tomiichi Murayama's SDP to make a make-or-break decision on the new party.

SDP and New Party Sakigake are partners to the ruling coalition with the Liberal Democratic Party.

Committee on Religious Organization Law Set Up

OW3110091695 Tokyo KYODO in English 0854 GMT 31 Oct 95

[FBIS Transcribed Text] Tokyo, Oct. 31 KYODO — The House of Representatives set up an ad hoc committee Tuesday [31 October] to discuss tightening the law regulating religious organizations, in the face of strong opposition from Shinshinto (New Frontier Party).

A vote on setting up the panel was taken after Shinshinto, the largest opposition party, agreed to holding a plenary session after at first resisting opening the session.

Shinshinto became angry after Shizuka Kamei of the Liberal Democratic Party (LDP) suggested the revision of the law is aimed at Soka Gakkai, the lay Buddhist group supporting Shinshinto, and after some LDP lawmakers started talking about an extension of the Diet session to pass the bills for revising the law.

The current extraordinary Diet session ends Nov. 13.

The establishment of the special committee on the issue was approved, with members of the LDP and its ruling coalition partners, the Social Democratic Party (SDP) and New Party Sakigake [Harbinger], as well as the Japanese Communist Party, voting in favor.

Shinshinto remains strongly opposed to the proposed amendment of the law.

Moves to revise the law, which provides for favorable tax treatment and other privileges for religious organizations, were initiated after the series of crimes, including sarin attacks, of which the Aum Shinrikyo religious group has been accused.

Meanwhile, Shinshinto filed a libel accusation with the Tokyo District Public Prosecutors Office against the LDP's Kamei, claiming the legislator made untrue, derogatory remarks about Shinshinto's relations with Soka Gakkai.

Kamei, a former transport minister, said in a TV program Sunday that Soka Gakkai is using its income exempted from tax for Shinshinto and interferes in the party's personnel affairs, the party said.

Kamei later told reporters that the opposition party's move is absurd, adding the prosecutors will find nothing illegal in his remarks.

Article Views Demand for Hashimoto's Resignation

OW3110091395 Tokyo SANKEI SHIMBUN in Japanese 28 Oct 95 Morning Edition p 2

[FBIS Translated Text] Officials at the Prime Minister's Official Residence are increasingly concerned about emerging demands in the Liberal Democratic Party [LDP] for Ryutaro Hashimoto, deputy prime minister and minister of international trade and industry, to step down from the cabinet after the Asia-Pacific Economic Cooperation (APEC) forum, and concentrate on his job as LDP president. A source close to the prime minister said: "The framework of the Murayama coalition government, supported by the three party heads in the cabinet, may collapse."

Ever since his inauguration, Prime Minister Tomiichi Murayama has made decisions on important political issues at meetings of ruling party leaders. This indicates his emphasis on unity among the three party heads. He believes that having the three party heads as cabinet ministers "creates an atmosphere of putting more importance on the administration rather than the parties' political motives" (as stated by a source close to the prime minister).

However, if Hashimoto leaves the cabinet, Masayoshi Takemura, finance minister and Sakigake [Harbinger] head, is most likely to ask to be allowed to concentrate on party management as well.

Whether Foreign Minister Yohei Kono will resign after the APEC forum is also a topic of interest. Thus, the situation will definitely develop into a major cabinet reshuffle, in which the various parties will work at cross purposes. Therefore, the Prime Minister's Office takes the stance that it "has absolutely no plan to reshuffle the cabinet after the APEC forum" (as stated by a government source) in an effort to seek LDP understanding to maintain the present governmental structure.

Obstacles to Hashimoto Premiership Viewed

OW3010145195 Tokyo BUNGEI SHUNJU in Japanese Oct 95 pp 176-180

[Article by political commentator Taro Akasaka: "A Time Bomb Held by Hashimoto's LDP"]

[FBIS Translated Text] The Liberal Democratic Party [LDP] has never been in the limelight like it is now since it slipped from the position of one-party rule.

On the evening of 22 September, the hall on the eighth floor of the LDP headquarters was overcrowded and the air was rank and sultry.

Kazuho Tanigawa, chief of the administration commission for the presidential election, declared the election of new President Hashimoto: "Mr. Ryutaro Hashimoto has won a majority of votes. Therefore, Mr. Ryutaro Hashimoto has been elected."

Ryutaro Hashimoto won 304 votes; Junichiro Koizumi won 87; it was a landslide.

Although the result was as clear as day from the beginning, the election was more exciting than anything else.

Above all, Hashimoto's election gave Nagata-cho a foreboding that not only will it not simply result in the continuation of the LDP-SDPJ-Sakigake [Harbinger] coalition government, but also a fear that something may happen.

A Secret Promise Between Hashimoto and Nakasone

The opening act of this drama was secretly played at the former Prime Minister Yasuhiro Nakasone's villa in Karuizawa, Nagano Prefecture a month ago, when it was still hot.

Seventeen August was very hot, but the cold of the plateaus was seeping into the villa. Sometimes it thundered in the distance.

Nakasone greeted his guests in high spirits.

Those invited were Ryutaro Hashimoto, International Trade and Industry Minister and the former Secretary General Seiroku Kajiyama.

Nakasone slowly opened his mouth to speak as if he were apprehensive about the future of the country: "In the midst of the severe international situation, responsibility to be borne by our country is increasing more than ever. To meet the requirements, it is necessary to realize a strong cabinet immediately, strive for an economic recovery, and establish a necessary framework for that."

By a strong cabinet he may mean a conservative-conservative union for the time being, but, judging from what he said, it seemed as if he were thinking of even a "second conservative union".

Both Hashimoto and Kajiyama talked a lot, and the following three points were agreed on: (1) give support to Ryutaro Hashimoto for the post of president; (2) carry out general elections while Hashimoto is president, and (3) "divorce by agreement" the Social Democratic Party of Japan [SDPJ], the LDP's partner in the current coalition government.

There is a delicate connection between the timing of the dissolution of the Diet and subsequent general elections and the problem of disconnection from the SDPJ.

The story goes that the agreement that "general elections will be carried out while Hashimoto is present" was really "general elections will be held under the leadership of Hashimoto."

If that is true, it is assumed that Prime Minister Tomiichi Murayama will resign at some point of time and that Hashimoto will become prime minister in his stead and play his trump card.

Nakasone continued to say: "The fact is that I met with Mr. Takeshita the other day. He said he would like to recommend Mr. Hashimoto. There is no problem in that respect. Whoever runs for president, all Mr. Hashimoto has to do is to put him to rout. However, Mr. Takeshita seems to be anxious about the SDPJ."

Noboru Takeshita was not present at the meeting, nor was Vice President Keizo Obuchi, Takeshita's representative, invited to attend the meeting. Takeshita and Obuchi had been intentionally excluded from the meeting. The reason must be that Nakasone and Takeshita take a different line, although they agreed that they would recommend Hashimoto.

A meeting between Nakasone and Takeshita was held on 4 August. The two men agreed to support Hashimoto, but they could not agree on the LDP's relationship with the SDPJ to the last. Takeshita cautioned Nakasone against his rashness very diffidently: If the LDP breaks with the SDPJ, it will be driven to the status of a minority one-party administration and "will taste the bitters of an opposition party if not properly handled."

Nakasone was adamant. His envisioned strategy is to ask Murayama to resign on the occasion of the APEC [the Asia Pacific Economic Cooperation forum] scheduled for November in Osaka, to ask him to hand over the reigns of government to Hashimoto, and to propose that dissolution and a general election should be held under the leadership of Hashimoto who enjoys nation-wide popularity. By that time, the SDPJ will have changed to a "new political party." Even if the formation of a new political party is delayed as usual, there will be an upsurge of a favorable atmosphere for that. Therefore, the SDPJ's position will not be trampled down. Then comes the LDP's divorce from the SDPJ by agreement.

Takeshita's worries are evident. The analysis of the results of the unified local election held in April and the Upper House election held in July seems to show that the general public has yet to pardon the LDP.

Waging general elections under the single-seat constituency system combined with the proportional representation system does not seem to guarantee a majority to the LDP. If the LDP maltreats the SDPJ now, will the SDPJ help the LDP remain in power when it fails to win a majority by itself?

What will happen if General Secretary Wataru Kubo, who is inclined toward Shinshinto [New Frontier Party; NFP], maintains power after Murayama's resignation? It is impossible to dispel the possibility that the SDPJ's right-wing faction will merge with the NFP. Taking a guess at Takeshita's feeling, former Home Affairs Minister Hiromu Nonaka says: "It is the SDPJ that made the greatest sacrifices under the Murayama administration. We must not be ungrateful to the SDPJ."

To put it favorably, it was a clash between idealism and realism. On the other hand, Takeshita's real belief seems to find expression in the fact that the Murayama administration is easier to handle than the Hashimoto administration.

However, Takeshita's indication is a vulnerable point to those who advocate a single-party administration by the LDP.

Kajiyama dispelled a constrained atmosphere by saying: "Mr. Takeshita is a worrier. I have been more supportive than anyone of the Murayama administration. Mr. Murayama knows this better than anyone else. Mr. Murayama says 'he has a lot of fans within the LDP.' We will not change our minds abruptly."

The meeting was amicable, but this does not mean that these three influential men revealed their inner thoughts. Neither Hashimoto nor Kajiyama agreed with Nakasone's idea that he will ask Murayama to resign on the occasion of the APEC meeting. They do not think that a conservative-conservative union will be realized so easily.

Suppose the LDP joins hands with the NFP, with whom is it going to associate, and how? If the LDP can form a single-party administration, there is no problem.

When the LDP fails to win a majority in the Diet, that will trigger a "conservative-conservative union." And common sense in Nagata-cho is that neither the LDP nor the NFP will be able to gain a majority.

Of 500 seats [300 seats under the single-seat constituency system; 200 seats under the proportional representation system], the maximum number of votes the "Democratic Union" [tentatively named], a future third political party, can expect to win is said to be ten seats in the single-seat electoral districts and 30 seats under the proportional representation system, however hard the Democratic Union may try. The truth is that there is also an unsparing view that the union can hardly win those numbers and that it is too ambitious.

Let us suppose that 40 seats were won by a political party other than the LDP and the NFP and that 220 to 240 seats were obtained by the two parties after a close battle. Winning over a political party with 20 to 40 seats to gain a majority [251 seats] will decide whether the LDP or NFP can gain a majority.

However, the advocates of a "conservative-conservative union" insist that the LDP should break up its coalition with the SDPJ, should venture to choose the road to a "minority single-party administration," and with this as a springboard, should call for a union of conservative forces.

Their contention may be that the LDP should not cling to power just by merger with other political parties, and that it should observe the principles of conservatism from first to last. "Nothing ventured, nothing gained." This is indeed a manly, brave way of life. However, it is easier to preach a "conservative-conservative union" than to realize it. Casualties will be exceedingly heavy.

A former Obuchi faction leader says that "Toshiki Kaifu became the prey of the NFP," and Michio Watanabe, former deputy prime minister, said that "it was a shame to lose Toshiki Kaifu." Watanabe died for his cause.

Will the LDP swallow even the former Komeito [Clean Government Party] and Soka Gakkai? In the last analysis, "So many men, so many minds."

Kajiyama, for example, says that he does not want political realignment, such as a coalition or union with the NFP, or a reconciliation with the former Shinseito [Japan Renewal Party]. Kajiyama publicly declares that he welcomes a "union with individual conservatives." It is tantamount to declaring that "he will pick out one conservative after another."

Kajiyama may have Keiwa Okuda, Kozo Watanabe, and Hajime Funada in mind. He is said to have expressed his feelings that "if the assumption of responsibility by Ichiro Ozawa and I settles the matter, I am ready for it." Some criticize that then it is nothing but the resurrection of the "former Keiseikai."

It is not clear what Hashimoto said at the meeting held in Nakasone's villa. However, when he was asked about a union with the NFP at an open debate sponsored by the Japan Press Club on 20 September, he said: "The NFP is the strongest rival in general elections, but what Mr. Koizumi said may occur after the general elections." Thus Hashimoto did not deny the possibility of the LDP forming a union with the NFP.

A Letter of Divorce from "Kofuku no Kagaku"

Because of an overwhelming victory in the presidential election, Hashimoto, who is not so popular with LDP members, has gained centripetal force in his own way.

There was hardly any objection to appointing Koichi Kato as secretary general. However, a strong objection was raised to promoting Diet Affairs Committee Chairman Taku Yamasaki to the post of Policy Research Council chairman.

The reason is that the YKK clique [Yamasaki, Kato, Koizumi] was treated too favorably. Well, if Koizumi was included, it was the YKK clique who shook the political situation. Even Kajiyama, who claims himself to be Yamasaki's guardian, was opposed to his promotion.

However, these objections disappeared before Hashimoto's overwhelming victory. If Koizumi had won more than "100 votes," Hashimoto's leadership would have been questioned from the beginning and personnel appointments would have faced a difficult situation. The reason is that Hiroshi Mitsuzuka had to be appointed as vice president.

A certified letter was delivered to the LDP headquarters immediately before the day of the presidential election. The sender was "Kofuku no Kagaku," a religious organization that launched a campaign for "Mitsuzuka as Prime Minister" all of a sudden this summer.

In short, it was a letter of divorce. The letter said: "Kofuku no Kagaku has supported Mitsuzuka and has considered him to be the right man for president. However, the election has become a contest between Hashimoto and Koizumi. Whoever becomes president, we cannot support the LDP."

With "Kofuku no Kagaku's" declaration that it will support Mitsuzuka, religious organizations which supported the LDP up until then started hesitating and feeling very discontented. The LDP has decided to propose the revision of the Religious Corporation Law to the extraordinary session of the Diet in consideration of the unimaginable crimes committed by Aum Shinrikyo. This bill is permeated with the intention of restraining not only Aum Shinrikyo, but also Soka Gakkai which is the parent body of the NFP. The bill is a shame and an unlucky blow to the religious world.

If Mitsuzuka had become vice president, trouble might have arisen.

Conversely, if Koizumi had won less than 50 votes, Hashimoto, who is a very, very conceited person [according to a former Mitsuzuka faction leader], would have turned his head and the situation would have become uncontrollable. Such a fear had been expressed, and in that respect, the number of votes won by Hashimoto and Koizumi respectively was "miraculously balanced."

The place is Seifukuji Temple in Shiojiri City, Nagano Prefecture. At this temple of the Soto Sect, the funeral of Shoichi Shimodaira, a popular Diet member of the SDPJ, was held on 10 September. Lower House Speaker Takako Doi was also present at the funeral.

At about the same time, Tomiichi Murayama and Wataru Kubo met face to face at the Prime Minister's Official Residence. The purpose of the meeting was to adjust their political views before Murayamas' departure for the Middle East. However, at the meeting between these two men, who do not get along well with each other, they ended up reading each other's thoughts.

Kubo said, "Our reelection is just around the corner. Are you going to run for chairman to be elected by popular vote?"

Murayama said, "No, I am not. How about you?"

Kubo said, " Neither am I."

Both met immediately after the Upper House election, and both agreed not to become the "head of a new political party" on the condition that Murayama will continue to be prime minister.

However, Kubo seems to have another purpose. Murayama has tactfully maneuvered the coalition government, "a balanced government," to prolong his tenure. The way things are going, Murayama is likely to remain as chairman of the SDPJ. Therefore, Kubo tried to probe the possibility of Murayama's resignation in a roundabout way.

Kubo, who could not get at the time of Murayama's resignation despite their private meeting, personally analyzed the political situation at an interview with Tokyo SHIMBUN saying, "there is a possibility of Murayama's resignation after the APEC meeting" to ascertain Murayama's reaction.

Murayama, who heard about the news in a foreign country, called Chief Cabinet Secretary Koken Nosaka and showed his anger by saying, "Kubo and I did not discuss the political situation."

After his return from the Middle East, Murayama had a talk with Kubo again. Kubo used a queer phrase, "a group of leaders," and actually retracted his earlier statement that Murayama will resign after the APEC meeting. Kubo said, "A new political party will be managed through collective leadership. It is a good idea to establish a group of leaders, is it not?"

This "group of leaders" is supposed to include Tomiko Okazaki, former Hokkaido Governor Takahiro Yokomichi, and others. And their representatives will be Lower House legislator Tomiko Okazaki and Teruo Maruyama, a commentator on religion. Then, even if Murayama resigns as chairman, no one will consider this "Okazaki" to be the "head" of the new political party.

When the Lower House election comes near, the SDPJ will hold an extraordinary general meeting, have "Yokomichi" as the "new party head," and fight it out in the election campaign. It is said that this is what Kubo has in mind.

Kubo's intention is: "It is impossible to have Yokomichi as party head all of a sudden because he does not wear a legislator's badge. So the SDPJ is going to be managed by a group of leaders, which makes it impossible to tell who is party head. When the election comes, all legislators have to take off their badges. So it does not matter even if Yokomichi does not wear a badge."

Yokomichi attended the "local joint meeting" for local bosses and expressed his feelings, "I love and care about the SDPJ more than any other party. I have put one foot in the SDPJ and the other outside it to widen a sphere of activity."

Even Yokomichi, who has always equivocated, could not make an irresponsible remark at this meeting. Everyone believed that "Yokomichi will join."

With the approach of a decisive battle, a dark nebula has begun to show its outline. "Prospective" players of every camp have begun to make their appearance on and behind the stage.

It is said that Nakasone made secret contacts with NFP General Secretary Ichiro Ozawa and that Kajiyama had a talk with the former Prime Minister Morihiro Hosokawa.

With the realization of the Hashimoto LDP, the "Karuizawa agreement" has begun to be realized little by little.

North Korea

'Foal Eagle-95,' 'Hwarang' Exercises Decried

SK3110035295 Pyongyang Korean Central Broadcasting Network in Korean 1223 GMT 30 Oct 95

[NODONG SINMUN 30 October commentary: "A Group of Warmongers Who Are Running Wild With Knives in Their Mouths"]

[FBIS Translated Text] The Foal Eagle-95 joint military exercise, which the Kim Yong-sam ring is staging across South Korea along with outside forces, is getting more and more frantic.

On 24 and 25 October, the U.S. imperialists and the South Korean puppets staged a large-scale joint aerial war exercise of northward invasion to make a surprise preemptive strike at the northern half of the Republic by mobilizing some 40 fighter bombers and assault planes from U.S. overseas bases and over 850 fighter planes belonging to the U.S. Seventh Air Force and the puppet Air Force.

On the same day, warship groups of the Navy of the U.S. imperialists and the puppet Navy staged a joint naval attack operation exercise with the support of flying corps. An operation exercise for airlifting commandos intended to infiltrate into the depth of the northern half of the Republic, was staged in the sky above the Munsan area, Kyonggi Province, near the Military Demarcation Line.

Being timed to coincide with the Foal Eagle-95 and Hwarang playing with fire, the South Korean puppets again staged a frantic war game dubbed a joint tactical drill by mobilizing a total of 200,000 troops including 30,000 troops of the puppet Army, Navy, and Air Force, some 170,000 troops of reserve forces, and about 6,000 policemen, and over 1,000 combat equipment of various kinds, including tanks and armored cars, in Inchon and southwestern area of Kyonggi Province from 23 to 27 October.

These different types of provocative war exercise rackets for northward invasion staged by the South Korean puppets along with outside forces are leading the situation on the Korean peninsula to the very dangerous brink of war. This has aroused great indignation and concern not only from our people but also from the peace-loving people of the world.

The U.S. and South Korean warmongers have characterized these war exercise rackets for northward invasion as defensive exercises in a bid to hide the dangerous nature of these exercises. Defense and so forth are deceitful terms frequently used by warmongers who enjoy fire to conceal their true colors of aggression.

There is no one in the world who will be deceived by such a signboard of defensive exercises put up by those frantically staging an attack operation exercise that targets the Republic by mobilizing enough large-scale armed forces and ultramodern war equipment to enter a war.

As the world recognizes, we are doing all we can for the country's peace and peaceful reunification. And yet what do they intend to defend? The Foal Eagle-95 joint military exercise is not a defensive training, but an all-out war exercise of northward invasion designed to make a surprise attack on the front and rear of the northern half of the Republic on land, at sea, and in the air. The exercise consists of coastal attack operations, aerial attack operations, operations for airlifting commandos, and joint tactical operations on the ground.

The puppets can never hide the aggressive nature and dangerous aspects of the Foal Eagle-95 joint military exercise, or any other war exercise with any sophistry.

The Foal Eagle-95 joint military exercise is all the more dangerous as it is a replica of the Team Spirit nuclear war exercise of northward invasion which was staged in South Korea every year. While raving about the suspension of the Team Spirit joint military exercise, the South Korean puppets have babbled until now of the need to stage an exercise in the place of the void of the Team Spirit joint military exercise.

Staging the Foal Eagle-95 joint military exercise by the United States and the South Korean puppets shows that this exercise is a continuation of the Team Spirit nuclear war exercise as well as its prolongation.

No one can vouch that the warmaniacs will not ignite a fuse of war against the North while staging all types of war exercise of northward invasion including the Foal Eagle-95 joint military exercise.

The Kim Yong-sam ring is, indeed, a group of heinous warmaniacs, a group of traitors, who are running wild with swords in their mouth to plunge the nation into the ravages of nuclear war by outside forces.

If the provokers think they will get off unharmed after igniting a war on the Korean peninsula, it will be a miscalculation.

We, who are fully ready to defeat the enemy at one stroke when it pounces upon us, warn against the U.S. imperialists and the South Korean puppets that they should not run wild in the war rackets against the North.

South Daily Blames Japan for Division of Korea

SK3010103995 Pyongyang KCNA in English
1023 GMT 30 Oct 95

[FBIS Transcribed Text] Pyongyang, October 30 (KCNA) — The South Korean newspaper HANGUK ILBO said that Japan is to blame for the division of the Korean peninsula.

The paper expressed resentment at the Japanese foreign minister's outcries that Japan is not to blame for the division of Korea.

The division of the Korean peninsula was caused by the Japanese colonial occupation, it said, and noted: Japan took every opportunity to sow dissension between the North and the South.

It demanded the Japanese authorities honestly repent of the past crimes in Korea.

The Kim Yong-sam "government" must approach Japan with a correct historic outlook on Japan and make and distribute a white paper on the history of the Japanese imperialists' aggression the main of which is the crimes during their occupation and the background of the division, the paper said.

Commentary Decries No Tae-u 'Apology' on Funds

SK3110102995 Pyongyang KCNA in English
1024 GMT 31 Oct 95

["Farce To Cover Up Crimes" — KCNA headline]

[FBIS Transcribed Text] Pyongyang, October 31 (KCNA) — The remarks made by the traitor No Tae-u on October 27 are not an "apology" to the people, but utterances meant to cover up the seamy side of the controversial "secret fund" and shift the responsibility for the crimes, MINJU CHOSON says in a by-lined commentary today.

The analyst further says:

Judging from the fact that he had no choice but to make an "apology" with an increasing number of witnesses and bank officials involved in his secret political fund laying bare the seamy side of the incident, his deceptive farce is a trick designed to hush up his crimes.

It is because of the backing from Kim Yong-sam that with a view to deceiving the people No Tae-u is resorting to such a trick as what he calls "apology".

No sooner had the No Tae-u's scandal been exposed to the public than the traitor Kim Yong-sam has kept from the public all the materials concerning the incident and let No Tae-u make an "apology" to the people in a bid to deceive the people.

ROK Organizations, Parties Denounce No Tae-u

SK2610105095 Pyongyang KCNA in English
1001 GMT 26 Oct 95

[FBIS Transcribed Text] Pyongyang, October 26 (KCNA) — Democratic organisations and opposition parties of South Korea denounced the traitor No Tae-u's illicit fortune-piling, a Seoul-based radio reported.

About 40 members of the Democratic National Council for Reunification Era met in front of the headquarters of the "Democratic Liberal Party" in Youido, Seoul, on October 23 and called for arresting and interrogating No Tae-u for investigation into the secret funds.

The National Alliance for Democracy and Reunification, the preparatory committee of the Confederation of Democratic Trade Unions, the Civic Alliance for Justice in the Economy and the Pusan Democratic Youth Society issued statements calling for an overall investigation into the illicit fortune-making of the "Sixth Republic" authorities and a severe punishment of No Tae-u and others involved.

The opposition parties demanded the "National Assembly" hold a plenary meeting to adopt a resolution for a probe into the truth behind No's irregularities and summon and interrogate No Tae-u and others involved in the case. They also called for removing the system that may conceal irregularities.

Koreans in China Urge Release of ROK Students

SK2610105295 Pyongyang KCNA in English
1004 GMT 26 Oct 95

[FBIS Transcribed Text] Pyongyang, October 26 (KCNA) — The Zhongnan Area Association of Korean Citizens in China issued a statement October 15 denouncing the South Korean authorities for arresting and persecuting students Chong Min-chu and Yi Hye-chong.

The girl students had visited the North of the country as delegates of the South Korean Federation of University Student Councils under the South side headquarters of the National Alliance of Youth and Students for the Country's Reunification.

The statement defined their visit to Pyongyang as a patriotic, righteous action that deserves full support and praise from all Koreans. The South Korean authorities' persecution of the students clearly shows that the traitor Kim Yong-sam is indifferent to national reunification and interested only in division.

The statement urged the puppet authorities to abolish the "National Security Law," an obstacle to national reunification, and release the girl students and Mrs. Pak Yong-kil at once.

Yi Chong-ok Sees PRC Artistes' Performance

SK2610052195 Pyongyang KCNA in English
0449 GMT 26 Oct 95

[FBIS Transcribed Text] Pyongyang, October 26 (KCNA) — Vice-president Yi Chong-ok, Vice Marshal of the Korean People's Army Kim Kwang-chin, Secretary of the Central Committee of the Workers' Party of Korea Kim Ki-nam and Vice-premier of the Administration Council Chang Chol appreciated a joint performance given by Korean and Chinese artistes at the Mansudae Art Theatre on Wednesday to mark the 45th anniversary of the entry of the Chinese People's Volunteers into the Korean war.

A delegation of former Chinese People's Volunteers, a delegation of officials of the Communist Party of China, officials of the Chinese Embassy in Pyongyang and Chinese guests also saw the performance.

Put on the stage were songs of the two countries including the Korean song "May Chong-il Peak Shine" and the Chinese song "My Motherland."

The joint performance overflowing with the feelings of fraternal friendship ended with the songs "Song of Chinese People's Volunteers" and "Korea-China Friendship Will Be Everlasting."

Choe Kwang Meets With Former CPV Delegation

SK2610151595 Pyongyang KCNA in English
1510 GMT 26 Oct 95

[FBIS Transcribed Text] Pyongyang, October 26 (KCNA) — Minister of the People's Armed Forces Choe Kwang Thursday met and had a friendly talk with the delegation of former Chinese People's Volunteers [CPV] led by Colonel General Shi Yuxiao, political commissar of the Guangzhou military district of the Chinese People's Liberation Army.

Present there were Lieut. General Han Tong-gun of the Korean People's Army and the Chinese Ambassador to Korea Qiao Zonghuai.

On the occasion the head of the delegation expressed the belief that the friendship between the two countries will be further consolidated with history under the leadership of Comrade Kim Chong- il, supreme commander, and the Chinese leaders.

He wished Comrade Kim Chong-il, supreme commander, a long life in good health.

CPC Officials Delegation Tours Pyongyang

SK2610121995 Pyongyang Korean Central
Broadcasting Network in Korean
1300 GMT 26 Oct 95

[FBIS Translated Text] A delegation of CPC officials led by Wang Taihua, alternate member of the CPC Central Committee and deputy secretary of Anhui CPC Provincial Committee, visited the old home in Mangyongdae.

The guests listened to the glorious revolutionary history of the respected and beloved Comrade Kim Il-song, and attentively looked around the relics. The guests posed for a photograph to commemorate their visit to the old home in Mangyongdae.

The guests also toured Pyongyang and local areas and visited the Tower of Chuche Idea, the Party Founding Museum, the Victorious Fatherland Liberation War Museum, Pyongyang Simni Senior Middle School, and Sohae Lockgate. The guests watched the mass gymnastic game "The Glorious 50 Years Following the Banner of the Chuche Idea" at the Kim Il-song Gymnasium.

Hwang Chang-yop Meets Chinese, Thai Guests

SK2610151995 Pyongyang KCNA in English 1513 GMT 26 Oct 95

[FBIS Transcribed Text] Pyongyang, October 26 (KCNA) — Secretary Hwang Chang-yop of the Central Committee of the Workers' Party of Korea Thursday met and had a friendly talk with the visiting delegation of officials of the Communist Party of China led by Wang Taihua, alternate member of the C.C. [Central Committee], the CPC and deputy secretary of the Anhui provincial party committee.

Also Thursday Hwang Chang-yop met with the friendship visiting group of the Seritham Party of Thailand led by Thaveesak Phonsudga, member of its executive committee, at the Mansudae Assembly Hall.

The head of the group said that Korea has achieved signal successes in spiritual, material and cultural domains, adding that he was deeply moved by the healthy spirit of the people and their happiness.

Thai Delegation Pays Homage at Memorial Palace

SK2610045995 Pyongyang KCNA in English 0422 GMT 26 Oct 95

[FBIS Transcribed Text] Pyongyang, October 26 (KCNA) — The friendship visiting group of the Seritham Party of Thailand led by Thaveesak Phonsudga, member of its executive committee, visited Kumsusan Memorial Palace on Wednesday to make respects to the great leader President Kim Il-song, who lies in state in the palace.

The Thai visitors laid flowers and expressed reverence before the statue on President Kim Il-song on Mansu Hill on Tuesday.

Asian, European Countries Send Relief Materials

SK2810062495 Pyongyang KCNA in English 0458 GMT 28 Oct 95

[FBIS Transcribed Text] Pyongyang, October 28 (KCNA) — Governments of different countries decided to send relief materials to the DPRK in connection with flood damage in various areas of the DPRK.

The governments of Pakistan, Iran, India, Malaysia, Indonesia, Singapore, Japan, the United States, Britain, Italy, Sweden, Norway, Australia and other countries decided to offer relief materials to the DPRK.

In addition, political parties and organisations of different countries, the General Association of Korean Residents in Japan (Chongnyon) and other organisations of overseas Koreans decided to send a large amount of relief materials, and the materials arrived were supplied to population in flood-stricken areas.

On October 27 foodstuffs for children which had been sent by the German Government on the first installment were directly handed to inhabitants in some flood-stricken areas of North Hwanghae Province by Wilhelm Strohe, interim representative of the German Interests Section here.

Delegation Returns From Nonaligned Movement

SK2510223595 Pyongyang KCNA in English 1520 GMT 25 Oct 95

[FBIS Transcribed Text] Pyongyang, October 25 (KCNA) — The delegation of the Democratic People's Republic of Korea led by Vice-President Pak Song-chol returned home today after participating in the 11th summit of the nonaligned nations held in Colombia.

It was met at the airport by Secretary General of the DPRK Central People's Committee Chi Chang-ik and Vice Foreign Minister Kim Chang-kyu.

Gathering Held With Iranian Embassy Officials

SK2610051795 Pyongyang KCNA in English 0437 GMT 26 Oct 95

[FBIS Transcribed Text] Pyongyang, October 26 (KCNA) — A friendship gathering with officials of the Iranian Embassy was held at the Korea-Iran Friendship Pyongyang Jungsin Senior Middle School on October 25.

Present there were officials concerned, teachers and students of the school.

Iranian Ambassador to Korea Seyyed Morteza Mirheydari and embassy officials were present on invitation.

The guests went round the school and saw an art performance given by art circle members of the school.

The participants conversed with each other in a friendly atmosphere.

Film Showing Marks Kazakh National Day

SK2610045095 Pyongyang KCNA in English 0424 GMT 26 Oct 95

[FBIS Transcribed Text] Pyongyang, October 26 (KCNA) — A film show was sponsored by the DPRK Committee for Cultural Relations With Foreign Countries and the Korea-Kazakhstan Friendship Association in Pyongyang on Wednesday to mark the national day of Kazakhstan.

Present on the occasion were Kim Yong-su, vice-chairman of the Committee for Cultural Relations

With Foreign Countries and chairman of the friendship association, and officials concerned and working people in the city.

The participants saw a Korean feature film.

Choe Kwang Sends Message to Romania on Army Day

*SK2610051095 Pyongyang KCNA in English
0430 GMT 26 Oct 95*

[FBIS Transcribed Text] Pyongyang, October 26 (KCNA) — Marshal of the Korean People's Army Choe Kwang, minister of the People's Armed Forces, sent a message of greetings to Gheorghe Tinca, minister of National Defence of Romania, on the army day of Romania.

Expressing the belief that the friendly relations between the two armies would develop favourably, the message wished him success in his responsible work.

Guinean President Expresses 'Solidarity', Support

*SK2610150395 Pyongyang KCNA in English
1501 GMT 26 Oct 95*

[FBIS Transcribed Text] Pyongyang, October 26 (KCNA) — The Guinean president and foreign parties expressed full support and solidarity for the Korean people's cause of justice.

Guinean President Lansana Conte told the DPRK ambassador to his country on October 16 that the Guinean Government and people would as ever fight shoulder to shoulder with the Korean Government and people. He sincerely hoped that Korea would be reunified without fail on the principles of independence and peace.

Dusan Mihailovic, president of the New Democracy of Yugoslavia, said: "We are glad that his excellency the great leader Kim Chong-il is creditably carrying forward President Kim Il-song's cause."

The Central Committee of the Communist Party of Jordan sent a solidarity telegram to the Central Committee of the Workers' Party of Korea on October 4 to mark the month of support for the proposal for founding the Democratic Confederal Republic of Koryo. The Jordanian party regarded the confederacy formula as the best way of reunifying Korea and hoped that the Korean people would reunify their country through a confederacy and attain their noble objective.

Anniversary of Relations With Mali Marked

*SK3110102495 Pyongyang KCNA in English
1021 GMT 31 Oct 95*

["35th Anniversary of Establishment of Korean-Mali Diplomatic Relations Marked" — KCNA headline]

[FBIS Transcribed Text] Pyongyang, October 31 (KCNA) — Papers here today dedicate signed articles to the 35th anniversary of the establishment of diplomatic relations between Korea and Mali.

NODONG SINMUN says that the establishment of diplomatic relations between the two countries was an epochal occasion in developing the friendly and cooperative relations between the Korean and Malian peoples.

Over the past 35 years the friendship between Korea and Mali has developed on good terms in accordance with the desire and aspiration of the two peoples and made contributions to the building of a new society in the two countries, the paper notes, and goes on:

To strengthen the friendship between Korea and Mali accords with the interests and desire of the two peoples.

The Korean people will continue to strengthen and develop the friendship with the Malian people as in the past, so in the future, too.

A signed article of MINJU CHOSON says the Korean people believe that the friendly and cooperative relations between Korea and Mali will expand and strengthen in accordance with their common desire and interests of the two peoples, and wish the Malian people greater success in their future work to build a new life.

Kim Chong-il Sends Centennial Birthday Tables

*SK2610110395 Pyongyang KCNA in English
1006 GMT 26 Oct 95*

[FBIS Transcribed Text] Pyongyang, October 26 (KCNA) — The great leader Comrade Kim Chong-il sent centennial birthday tables to Kim Po-pi in Mansu-tong, Central District, Pyongyang, and Kim Chang-ae in Saemaul-tong No. 1, Pyongchon District, Pyongyang.

Upon receiving the tables, the old women and their families and relations renewed their resolve to remember that they were blessed with leaders generation after generation and to work devotedly for the prosperity of their country and motherland, upholding the leadership of General Kim Chong-il with loyalty and filial piety in one mind.

Editorial Urges Increased Coal Production

SK3110052795 Pyongyang MINJU CHOSON in Korean 15 Sep 95 p 1

[Editorial: "Let Us Effect a New Upsurge in Coal Production"]

[FBIS Translated Text] With the glorious October grand festival drawing nearer, the masses have become more enthusiastic and are effecting upsurges in production in all sectors of the people's economy. The reality demands us to more vigorously carry out the struggle to increase coal production.

The great leader [widaehan yongdoja] Comrade Kim Chong-il indicated:

Increasing coal production is very significant in normalizing production in various sectors of the people's economy and improving the people's living standard.

The coal industry is the forefront of the general advance battle for implementing the party's revolutionary economic strategy.

The coal industry's working class should lead the general advance and produce more coal to help increase production in other sectors and vigorously push ahead the overall economic construction.

Today's struggle to make a new innovation in coal production is a loyal battle to brilliantly implement the will of the respected and beloved leader [kyongaehanun suryong] Comrade Kim Il-song, and to transform the farseeing socialist economic construction plan and revolutionary intention of the great leader [widaehan yongdoja] Comrade Kim Chong-il into a glorious reality. The struggle is a rewarding struggle to further solidify the bedrock of the socialist self-reliant national economy, to display the mighty economy, and to make our country and our fatherland more prosperous. The struggle is also a sacred struggle to defend, glorify, and complete the popular masses-centered our style of socialism like a fortress.

Our party expects that functionaries and miners of the coal industry will display extraordinary revolutionary enthusiasm and creativity and strongly ignite new flames for increasing coal production in all mines and pit faces in the country.

All functionaries and miners of the coal industry should rise in one in the struggle to increase the coal production with a firm determination and iron resolution, and answer the party's great trust and expectation with loyalty by creating an unprecedented collective innovation and heroic feats.

An important guarantee for the success of today's struggle to increase the coal production is for all functionaries and miners to deeply bear in their minds the great leader [widaehan yongdoja] Comrade Kim Chong-il's personal congratulatory letter dated 1 January, 1995, and to reaffirm their ideological determination to reliably defend the coal industry, as the party wishes.

With an attitude befitting the fighters and disciples of the great leader [widaehan suryong], those who firmly defend the forefront of the people's economy, honorably implement their lofty duty for the party and the revolution, and make up their minds to die on duty, can become standard-bearers in today's struggle, and innovators and feat creators.

Functionaries and miners of the coal industry should remember that extracting one more tonne of coal is the duty of revolutionary fighters who are loyal to the party and the revolution, and should bear a burning heart wanting to increase the coal production, awake or in their sleep. Every step they walk should be a loyal and innovative step for extracting coal.

Displaying high revolutionary spirit firmly guarantees successful achievement in the struggle to increase coal production.

Functionaries and the working class of the coal industry should brilliantly continue the tradition of struggle with which their predecessors were always endlessly faithful to the party's call. As did the first and second generation of the revolution during the days of ardent trials, they should absolutely and unconditionally implement the party's policies, actively dedicate themselves to implementing the revolutionary assignments with a strong will and revolutionary enthusiasm and spirit, and vigorously lead the struggle to effect a great upsurge.

Self-reliance is a revolutionary character of our working class.

As did the anti-Japanese fighters, 10 party members in Nagwon, and the working class of Kangson, functionaries and miners of the coal industry should bear thorough and tenacious communist spirit to create something out of nothing, and a thorough attitude and position of self-reliance that makes them think that even though it is better to have supplies from the superior, if not, they can work on their own. By doing so, they should display an ethos to responsibly solve all problems arising in the coal production on their own.

All mines should strengthen their bases for self-reliance and boldly wage the struggle to produce and guarantee on their own necessary equipment, materials, and parts by actively detecting and mobilizing all reserves and potentials.

In order to increase coal production, it is very important for relevant functionaries to fulfill their responsibility as guiding personnel of the revolution.

Responsible functionaries of the Coal Industry Ministry, mining complexes, and all mines in the country should make better plans for battle organizations and skillfully control production in conformity with the heightened enthusiasm of miners.

The functionaries should concentrate their guidance to mines, which are responsible for supplying coal to plants and enterprises that are significant to the overall economic development and the improvement of people's living standard, such as thermal power plants, fertilizer plants, chemical plants, and light industry plants.

The functionaries should go to major mines, including those in the districts of Anju, Sunchon, Tokchon, Kaechon, Kowon, and northern districts, and cooperate with field functionaries to further inspire the miners' enthusiasm in increasing production with powerful political work and carry out production organization and control in a revolutionary and militant way. By doing so, they should responsibly guarantee coal to major plants and enterprises in a timely manner.

In order to make a decisive turning point in the coal production, all sectors of the people's economy should more vigorously support the coal industry.

Making an epochal turning point in the coal industry is not a duty of the coal industry alone. All sectors of the people's economy should regard the work like their own work and carry out the militant task with their united strength.

Functionaries and working people of all sectors of the people's economy should take a view and position that the struggle to increase the coal production is a work for their own sectors, units, and themselves, and should strongly support the coal industry with labor, materials, and technology.

Relevant plants and enterprises should thoroughly establish an ethos to give top priority to producing and supplying equipment, materials, cooperative products, and parts to the mines of the coal industry.

Relevant plants and enterprises of the people's economy should achieve joint innovations, and effectively and thoroughly wage the struggle to produce more equipment and materials than they promised in plans and contracts and send the first lots to mines.

In addition, the science research sector, the technological engineering sector, and universities should make valuable scientific and technological innovations conducive to increasing the coal production and make the innovations widely applicable to actual practices.

Administration Council committees, ministries, and local administrative and economic agencies should map out plans to effectively normalize the work to support the coal industry with labor, materials, and technology. In particular, the organizational and political work to enhance laudable communist traits should be vigorously waged so that more young people volunteer to work in mines. Functionaries of all sectors of the people's economy and all working people bear a high self-consciousness that presently, there is no struggle more honorable and rewarding than the creative labor struggle to dedicate oneself to increasing the coal production, so as to foster more loyalists and dutiful children who volunteer to work at mines to uphold our party with increased coal production.

Functionaries and working people of the coal industry and all other sectors of the people's economy should uphold our party's revolutionary intention with their hearts, possess victorious faith and optimism, and more boldly wage the struggle to effect a great upsurge in coal production.

South Korea

Decision To Demand U.S. Missile Pact Abolition

SK3110050395 Seoul HANGUK ILBO in Korean 31 Oct 95 p 2

[FBIS Translated Text] On 30 October, the government and ruling Democratic Liberal Party [DLP] decided to formally demand the U.S. side to abolish the ROK-U.S. missile memorandum, which restricts the ROK's technological development of missiles with the range exceeding 180 kilometers, during the 27th ROK-U.S. Security Consultative Meeting slated in Seoul from 2 November.

On the other hand, the government and DLP decided to push for the participation in the Missile Technological Control Regime, which is an international agreement allowing the development of missiles with a range of 300 kilometers.

This decision was made during the joint conference between the government and the DLP in the 63 Building in Youi Islet on 30 October with the attendance of Hwang Myong-su, chairman of the National Assembly National Defense Committee, and Defense Minister Yi Yang-ho.

Concerning the issue of increasing the amount of the ROK's share for defense expenditure of U.S. Forces in the ROK as demanded by the U.S. side, the DLP put forward during the conference a plan to freeze the amount or reflect only the portion of the price increase at the present level.

Minister Yi Denies 'Rebate' on Fighter Project

SK3110105595 Seoul YONHAP in English 1044 GMT 31 Oct 95

[FBIS Transcribed Text] Seoul, Oct. 31 (YONHAP) — Defense Minister Yi Yang-ho on Tuesday denied as not true the allegation that there was a large amount of rebate behind the selection of F-16 as the next-generation fighter plane (KFP) of the Korean Air Force.

In a written answer distributed at the National Assembly Defense Committee, Minister Yi said, "So far as the Defense Ministry is concerned, we know nothing about the alleged 100-million-dollar rebate."

He said that the U.S. General Accounting Office (GAO), too, looked into General Dynamics Corp., but there arose no issue of rebate.

The minister said there was no room for any rebate in the KFP Project since about 50 percent of the total project cost was met with a foreign military sales (FMS) contract concluded directly between the governments of Korea and the United States.

Asked by an opposition legislator if he didn't visit the U.S. Pentagon to present a "false report" recommending F-16's in October 1990 during his days as third vice chairman of the Joint Chiefs of Staff, Minister Yi said that was not true.

He said he was under no pressure from any higher office at the time of the visit.

During the Defense Committee session, Rep. Kang Chang-song of the Democratic Party said there should be a thorough look at the possibility of ex-President No Tae-u having pocketed large amounts of rebate in connection with the Yulgok arms procurement programs.

"Former President No's basic attitude toward the Yulgok Project was to use it as an occasion to make a personal fortune instead of caring about national security," Kang said.

Meanwhile, Deputy Prime Minister Na Ung-pae said his government's position toward the light-water reactor project is that it cannot bear expenses that go beyond the routine scope of supply.

Na who is also national unification minister made the remarks in a reply to a lawmaker's question at the Assembly Unification and Foreign Affairs Committee if the government would shoulder the cost of power transmission and distribution facilities and a nuclear fuel plant for the North Koreans.

He said any increase in the South-North exchanges and cooperation fund does not require a parliamentary concurrence.

"But, if the need arises of a large-scale assistance to North Korea, we will surely consult with the Assembly Unification and Foreign Affairs Committee without fail," Na said.

He explained that if there occurs an epochal event between the South and the North, it may entail a large budgetary requirement beyond the South-North exchanges and cooperation fund, whose disbursement ought to be endorsed by the National Assembly.

Daily Welcomes 'U.S. Will' To Revise SOFA

SK2910235895 Seoul CHUNGANG ILBO in Korean 29 Oct 95 p 4

[Editorial: "A Drastic Amendment of SOFA Is Urged"]

[FBIS Translated Text] The ROK-U.S. Status of Forces Agreement [SOFA], which has been detested as an unfair pact that must be revised, will be brought up for negotiations between the ROK and U.S. governments. On 27 October, a high-level official of the U.S. Defense Department — which was reluctant to discuss the issue even after the two sides agreed, through a diplomatic channel last July, to set out about revising the SOFA — stated in public that the U.S. Government "is ready to discuss the issue," thus opening a road to full-fledged negotiations on it.

The U.S. Defense Department's attitude is very encouraging, with the upcoming annual ROK-U.S. security consultative meeting to be held in Seoul in early November. Our side has been preparing to bring the issue up for discussion as an important agenda item during the forthcoming security consultative meeting, and the U.S. Defense Department official's remark is regarded as a sign of the U.S. will to accede to active negotiations on it.

The reason the SOFA must be revised is because of its inequality; it is unilaterally favorable to the United States while restricting the exercise of our sovereignty. Above all, problems in accounting for U.S. soldiers' crimes have always been the point at issue. All procedures specified in the SOFA for handling U.S. soldiers' crimes — including physical detention of suspects, criminal jurisdiction, and compensation for Korean victims — are unilaterally favorable to the U.S. side. The degree of inequality is fully shown by the fact that the average annual rate of our jurisdiction exercised over crimes committed by U.S. soldiers is merely 2 percent, while that in Japan is 32 percent.

This is not the only thing that must be amended. There are many other problems, including the guarantee of the three rights to labor for Korean workers employed by the U.S. Forces and the methods of the U.S. Forces' repayment for their use of land and facilities in the ROK. These problems have been noted since 1991 when the SOFA was revised for the first time in 24 years. In short, the failure to revise the SOFA in the correct direction at that time has amplified our people's anti-U.S. sentiment in recent years.

The current SOFA is based on a one-generation-old agreement reached in 1966, though it has been revised once since then. Therefore, it must be revised in accordance with the changed situation, and an overall amendment of the agreement, not a revision of several items, is needed so that it can reflect the spirit of the times.

DPRK on U.S. Pan-Asia Missile Defense System

SK3110093395 Seoul YONHAP in English 0818 GMT 31 Oct 95

[FBIS Transcribed Text] Seoul, Oct. 31 (YONHAP) — North Korea charged Tuesday that the United States is accelerating its war preparations against the North by attempting to build a pan-Asia missile defense network.

Radio Pyongyang criticized Tuesday, "Belligerent forces within the United States, by attempting to establish a missile defense network covering the entire Asia region, are accelerating preparations for an aggressive war against us," according to Naewoe Press, the official North Korea watcher here.

Such a move is part of a U.S. plan to secure a military hegemony in the region, the broadcast claimed.

The charge followed the publication of a report last Wednesday by the Heritage Foundation of the United States, in which the foundation, discussing the missile threat posed by North Korea, urged the U.S. Administration to establish a missile defense network in Asia.

The radio also criticized the Heritage Foundation as being "a reactionary research organization."

North Silent on South Efforts for UN Membership

SK3110080895 Seoul CHOSON ILBO in Korean 31 Oct 95 p 33

[Report by the CHOSON ILBO Political Desk's North Korean Affairs Team: "North Korea's Unusual Silence Regarding ROK Admittance as a 'Non-Permanent Member' of the UN"]

[FBIS Translated Text] North Korea has consistently remained silent over the issue of the ROK seeking non-permanent membership in the UN Security Council. People presumed North Korea would raise a fuss regarding the issue, including denunciations and disturbing propaganda. However, North Korea has remained unusually silent. Regarding North Korea's silence, experts observe that North Korea considers the ROK's admittance to the UN Security Council an established fact, and even if it opposes their admittance, only unfavorable side-effects will result.

Such an attitude by North Korea presents a good contrast to North Korea's opposition and denunciation of Japan's efforts to seek admittance as a permanent member of the UN Security Council. Beginning a long time ago, North Korea insisted that "Japan is not qualified, politically and morally, to become a permanent member of the UN Security Council" because Japan invaded many Asian nations and triggered the war.

In a keynote speech to the 50th UN General Assembly on 11 October, Choe Su-hon, North Korea's vice foreign minister, stated that "even if the number of members in the UN Security Council increases, Japan is not entitled to become a permanent member state of the Council unless it sufficiently apologizes and offers compensation for its past crimes." However, he did not mention the ROK's admittance as a non-permanent member.

In the Asian group conference held last May to recommend a single candidate for non-permanent membership to the UN Security Council, North Korea objected to the recommendation of the ROK as a single candidate on the pretext of "ROK's qualification" and so forth. However, North Korea's objection failed. Since then, North Korea has not even raised the issue, apart from its objection. During this conference, Pak Kil-yon, North Korean Ambassador to the United Nations, claimed North Korea opposed the ROK's admittance because the ROK is "a nation involved in the dispute."

It is a common view of experts that North Korea's constant opposition will only enhance the image of the ROK among its own people without producing favorable external results. An expert in North Korean affairs pointed out that "when the 1988 Olympics were held in Seoul, the sphere of socialist states did not collapse. Thus, North Korea's propaganda opposing the Seoul Olympics, and its efforts to jointly host the Olympics, were considered effective both at home and abroad. However, this time the case is different."

Signs of Recovering PRC-DPRK Ties Analyzed

SK2910102995 Seoul TONG-A ILBO in Korean 29 Oct 95 p 19

[Article by Pak Che-kyun]

[FBIS Translated Text] On 25 October, North Korean leader [chidoja] Kim Chong-il sent a wreath to the tomb of Mao Zedong's son Mao Anying in Hoechang County, South Pyongan Province. On the occasion of the 45th anniversary of the PRC's participation in the Korean war (25 September), Kim Chong-il sent a wreath to mourn Mao Anying's death in the Korean war. This year, North Korea is attaching more significance to the PRC's participation in the Korean war. On the evening of 25 October, a banquet commemorating the Chinese People's Volunteers' [CPV] participation in the Korean war was held at the People's Cultural Palace in Pyongyang.

A CPV delegation arrived in Pyongyang on 21 October. The 25 October edition of NODONG SINMUN carried an editorial entitled: "The DPRK-PRC Friendship Will Be Immortal."

Observers believe that North Korea's emphasis on the CPV's participation in the Korean war is related to the moves to recover North Korea-PRC relations. North Korea and the PRC were traditionally blood-tie allies, but had become estranged since PRC Premier Li Peng visited the ROK. However, relevant ROK Government officials believe that North Korea and the PRC have become closer since September 1995. PRC President Jiang Zemin sent a congratulatory message to Kim Chong-il on 8 September, the 47th founding anniversary of the North Korean Government, stressing that "the traditional friendship between the PRC and the DPRK will ceaselessly develop."

In return, Kim Chong-il sent a message to President Jiang on 30 September to congratulate on the 46th founding anniversary of the PRC Government (1 October). The message read: "The friendship and cooperation between the DPRK and the PRC should be developed generation after generation." The exchange of greetings is significant considering that the frequency of messages between the North Korean and PRC supreme leaders has been remarkably reduced since Kim Il-song's death.

On 6 October, President Jiang made a rare appearance at the banquet celebrating the 50th founding anniversary of the North Korean Workers Party of Korea (10 October) held at the North Korean Embassy in the PRC. President Jiang rarely attends such events.

The improving North Korean-PRC relations can be attributed to the PRC's enthusiasm. Following the establishment of ROK-PRC diplomatic relations in September 1992, the PRC declared its principle of "equidistance diplomacy with South and North Korea." The PRC's change of attitude toward its traditional blood-tie ally estranged North Korea and the PRC.

However, North Korea discovered an alternative in its approach to the United States. The PRC appeared troubled by the rapid development of North Korea-U.S. relations, as shown in the U.S alleviation of sanctions on North Korea.

The PRC has been concerned about the U.S. influence in Northeast Asia. Analysts believe that the PRC is using appeasement gestures to bring North Korea back under its influence. Other observers believe that the PRC has shown an active attitude since September to prepare for President Jiang's visit to the ROK in November.

At any rate, North Korea has readily responded to the PRC's appeasement attitude. The traditional relations cannot be ignored and the PRC is still North Korea's largest trade partner (trade value was $620 million in 1994).

However, trade between North Korea and the PRC was reduced to $270 million in the first half of 1995, a 19-percent decrease as compared with the same period last year. It is uncertain whether the recently improving North Korean-PRC relations will lead to substantially close ties.

North 'Pays No Attention' to Jiang Zemin's Visit

SK3110022695 Seoul HANGUK ILBO in Korean 31 Oct 95 p 2

[Report by correspondent Song Tae-su from Beijing]

[FBIS Translated Text] In a news conference held for foreign reporters in the DPRK Embassy in Beijing on the afternoon of 30 October, Chu Chang-chun, North Korean ambassador to PRC, alleged that the "PRC President Jiang Zemin's visit to South Korea in November will not affect at all the DPRK-PRC relations, and the DPRK pays no attention to his visit." Ambassador Chu said that "President Jiang Zemin's participation in the ceremony marking the 50th anniversary of the Workers Party of Korea held in the DPRK Embassy in Beijing and his congratulatory message sent to the DPRK proved the blood-ally relations [hyolmaeng kwangye] between the DPRK and PRC."

Ambassador Chu's remarks made that day was the first reaction of the North Korean authorities to President Jiang's visit to the ROK.

In answering a question on the possibility of visit to North Korea by President Jiang Zemin, Ambassador Chu stated, "I will reveal it during a news conference when the opportunity comes." Thus, he suggested that there is no plan at the moment for President Jiang to visit the DPRK.

The news conference by Ambassador Chu was arranged for the purpose of informing foreign correspondents stationed in Beijing of the commentary announced by the DPRK Foreign Ministry on 28 October to denounce the Foal Eagle ROK-U.S. joint military exercise. However, the ROK reporters were excluded from the list of invited reporters.

Korean-Chinese Economic Refugees Increase

SK2910022795 Seoul THE KOREA TIMES in English 29 Oct 95 p 3

[By staff reporter O Yong-chin]

[FBIS Transcribed Text] Lured by the prospects of making a fast buck and escaping poverty, more Korean Chinese are trying to smuggle themselves into Korea despite a stepped-up crackdown by police and the Navy. But their "Korean dreams" are turning into nightmares.

According to the Korean Maritime Police, about 333 Korean Chinese were deported in the January to September period this year, more than three times the number for all of 1994. There are reportedly many ethnic Koreans waiting at Chinese ports to realize their hope of coming to Korea.

They are willing to board tiny boats weighing 5 to 10 tons and travel across the Yellow Sea to land on the west coast. And the overwhelming majority have pawned their lives to make the capricious crossing.

They have to endure a grueling week-long trip in a cramped cargo hold or on the exposed deck. What keeps them going under the adverse circumstances is their cherished hope of making a fortune in Korea.

A maritime police official said, "Dried vomit is often found throughout the boats we catch and sanitary conditions are beyond words."

After that long demanding journey, a handful of "lucky" ones make it to their destination but others are caught by maritime patrols and sent back to China, where they are heavily fined.

In the worst cases, they are caught in a storm in the middle of the sea and lose their lives, even before they have tried their luck in the promise land.

What motivates them to make the trip against all odds is their desperation of living in poverty in China and the hope of making a fortune in Korea.

Many Korean Chinese are anxious to go to Korea, where they believe they can save up to 20 million won (about 30,000 dollars) after two or three years of hard work and, with that, they will be set for the rest of their life back in China.

In fact, many Korean Chinese have a good command of Korean so they can easily fill many menial job openings that are available because Koreans shun them. It is also true that some Korean Chinese have realized their Korean dream.

Maritime police said that most of those smuggling themselves into Korea are young and in their 20s and 30s.

"Most of them come to Korea to escape from their life of poverty in China," one official said. "Sometimes they make the journey in leaking boats with no supplies."

And he said that those young Korean Chinese put everything on the line for their trip to Korea. It is said that a sitting space on a Korean-bound boat costs 10,000 to 50,000 yuan, many times what an average Chinese worker earns in a year. And the fare is sharply rising as the result of the stepped up maritime patrols near the Korean shore.

Captains and brokers team up with their Korean contacts. The Koreans provide a transfer boat for the passengers and take them to a designated Korean port.

They are expected to enjoy a boom for some time to come as more Korean Chinese are awaiting a chance to come to their supposed promise land.

According to a police report, 2,000 to 3,000 Korean Chinese are staying in Shanghai and other Chinese ports, waiting for their chance to make it to Korea.

Former Ambassador Hyon on Money Taken to U.S.

SK2810133595 Seoul YONHAP in English 1309 GMT 28 Oct 95

[FBIS Transcribed Text] Seoul, Oct.28 (YONHAP) — Former South Korean Ambassador to the United States Hyon Hong-chu said Saturday that he visited San Francisco in 1993 to meet a U.S. prosecutor who was investigating the illegal bringing by a daughter of then President No Tae-u of 190,000 dollars of cash into the U.S.

Hyon, however, denied reports that he asked the prosecutor for a cover-up of the illegal money bringing by No So-yong, adding "I just requested the prosecutor to carefully deal with the case and returned to Washington shortly."

The former ambassador to the United States meanwhile confirmed that the prosecutor at that time claimed that the 190,000 dollars were tied with bands carrying official seals of a Swiss bank.

"The prosecutor revealed it when the judge in charge of the case announced a suspension of sentence on the illegal money bringing case citing that there was no proof of dirty money about the cash and that So-yong had no previous criminal records," said Hyon in a telephone interview.

The former ambassador said that the judge must have thought that such a proof about the origin of the money did not count much in connection with the case which dealt with the illegality in which So-yong did not report to U.S. Customs authorities on the bringing of such a big amount of money.

Hyon said that he, as the South Korean ambassador to the U.S. at that time, met the prosecutor because the case was appearing in the press as if then President No was involved in the case.

In a related move, the prosecutor known as John Mendez, who now works as a lawyer, reconfirmed Saturday that the money carried by So-yong at the time was from a Swiss bank, according to the Korean Broadcasting System (KBS) reports.

The reports also quoted Mendez as saying that then South Korea's ambassador to Washington Hyon called on him at his prosecution office just before he was bringing the So-yong's case to trial to request him not to make public the case.

In the midst of the prosecution's full-fledged efforts to shed light to the slush fund of No Tae-u, opposition parties have urged the prosecution to start probe of alleged secret funneling of part of No's slush fund to Swiss banks which are notorious for careful protection of dirty money from around the world.

The opposition parties have claimed that at least over 100 million dollars in kickbacks from the purchase of 120 F-16 jet fighters from the U.S. went to No's secret bank accounts in Switzerland.

Dailies React to No Tae-u's Apology for Fund

SK2910113295

[FBIS Editorial Report] The following is a compilation of editorials published in ROK vernacular dailies on 28 October on former President No Tae-u's public apology made on 27 October for the uncovered secret political fund he raised while he was in office.

The conservative CHOSON ILBO; the moderate HANGUK ILBO; KYONGHYANG SINMUN, and TONG-A ILBO; the left-leaning HANGYORE SINMUN; the independent moderate economic paper MAEIL KYONGJE SINMUN; and the independent moderate MUNHWA ILBO each carry on page 3 a 800-word editorial on No's apology. The moderate CHUNGANG ILBO and the pro-government SEOUL SINMUN also carry 600-word editorials on this matter on page 4 and page 3, respectively.

All the editorials express disappointment at No's apology, noting that he failed to fully explain how he had raised the money and what he used it for, and criticize his excuse that he lost the chance to return the remaining 170 billion won to the country because of the political situation. The editorials then urge the prosecution to thoroughly investigate No's secret political fund so as to completely answer the people's questions about the case.

In particular, regarding the remaining large portion of the fund, the CHOSON ILBO editorial says it must be "what he put aside to divert into his own pocket, not what was unexpectedly left unused," and stresses that "after his retirement from the presidency, the money was not the so-called fund for ruling or political fund, but was an illicit fund for a former president's accumulation of wealth."

The TONG-A ILBO editorial notes: "The illegal profiteering by the two former Presidents Chon Tu-hwan and No Tae-u, former military officers, both of whom were finally driven to make apologies, is a great disgrace and misfortune for the country." The editorial then stresses "No's illegal act that defamed the country's morality must be handled strictly according to the law; his unconvincing apology is one thing, and dealing with his colossal illegalities in accordance with the law is quite another."

The MAEIL KYONGJE SINMUN editorial, after expressing "miserable and rueful feelings over the immoral and brazen-faced behavior of the former president," it first "positively assesses" No's apology, saying "it is fortunate for him to have come to his senses and recognize his wrongful behavior." While noting that No "must have told a lie" in his apology, and urging him to "give an additional explanation about the truth to clear up the people's doubts," the editorial stresses: "However, it is not desirable to spend too much time and energy digging up the dark past." The editorial hopes that the matter will be settled as soon as possible and concludes by emphasizing the need for the authorities to "take a wide view of the matter so as to prevent the business circles, which were once inevitably involved in an unfortunate incident, from weakening or losing their competitive strength."

The SEOUL SINMUN editorial particularly points to the great function of the "real name financial system, which has been realized by the civilian government in a bid to cure ROK diseases," stressing that "without the real name system, it would be difficult to disclose the whereabouts of the large secret funds." The editorial then hopes for the bright future of the country with the president's "will not to receive even a single penny from businessmen."

Kim Tae-chung Denounced for Receiving No's Money

SK2810100895

[FBIS Editorial Report] The following is a compilation of editorials from ROK vernacular newspapers published on 28 October, reacting to the admission of Kim Tae-chung, president of the National Congress for New Politics, that he received 2 billion won from former President No Tae-u during the 1992 presidential election.

The conservative CHOSON ILBO carries on page 3 an 800-word editorial entitled "The Downfall of Chairman Kim Tae-chung." Noting that Kim Tae-chung did not announce this in Seoul, but in Beijing, the editorial rejects his remarks that there was nothing wrong about receiving the money because it was not attached to any condition. The editorial asserts that receiving the money was "a great mistake and immoral act that cannot be overlooked." The editorial questions that, as an opposition leader, how could Kim Tae-chung readily receive money from someone he is trying to indict on charges of concocting the 18 May incident. The editorial denounces Kim Tae- chung's various excuses, including his remarks that he did not spend the money for personal purposes, and for implicating President Kim Yong-sam. The editorial concludes that Kim Tae-chung should not question what is wrong, but should apologize to the people.

The moderate CHUNGANG ILBO carries on page 4 a 600-word editorial entitled "Presidential Election Funds Should All Be Disclosed." The editorial states that no one will believe Kim Tae-chung's assertion that No's money was unconditional, and that it is "shocking" that a man who claims to be a victim of the 18 May incident had received money from a mastermind of the incident. The editorial continues to note Kim Tae-chung's remarks on President Kim Yong-sam's election funds from No Tae-u, and states that President Kim Yong-sam should clarify his election funds "without delay," and that the money should not be an obstacle to the investigation on No.

The pro-government SEOUL SINMUN carries on page 3 a 600-word editorial entitled "Black Money and the Opposition Leader." The editorial calls for a pannational anticorruption drive and the dissociation between business and political circles. The editorial states that the people are "astonished" by the fact the Kim Tae- chung had kept silence about the money for such a long time, and feel "enraged and helpless" at his tactic of a hurried announcement of two billion won in a foreign country in order to alleviate the damage from the No scandal. The editorial denounces that Kim Tae- chung is double-faced to have received two billion won simply as "greetings," while criticizing military politicians all the time. The editorial calls for measures to prevent money laundering for a successful real-name financial system, and a strong reform to eliminate the addiction to black money.

Secret Fund Contributors Face Taxes, Fines

SK2910022595 Seoul THE KOREA TIMES in English 29 Oct 95 p 8

[FBIS Transcribed Text] The decision by the government to impose taxes on contributions made to the political funds of former president [No Tae-u] means that the identities of related large business groups will inadvertently have to be made public.

However, government sources said, the tax imposition will only be possible for the years of 1991 and 1992 since the statute of limitations lasts for only five years and therefore those occurring before 1990 cannot be considered.

What is most critical for business is not the tax itself but the fact that the contributions were made "voluntarily" and they will not be able to evade tax audits which accompany cases of tax evasion. According to the government sources, the political contributions have now been known to have been at least 500 billion won (630 million dollars) as revealed by No himself and the back taxes themselves could be considerable.

On top of the corporate or income tax, the contributors will face an additional charge of 10 percent for the improper reporting of their earnings and another 10 percent for reporting less than the actual amount.

"Related regulations have been revised for the statute of limitations to be valid for five to 15 years this year but the old rule of five years will apply in this case," said one official of the Ministry of Finance and Economy.

Considering that no monetary contributions were likely made after the 1992 election in November, the businesses, mostly the top 30 conglomerates, will have to cough up taxes for 1991 and 1992, he added.

The entire process of determining who gave how much and what levies need to be imposed will be long and tedious and probably will be completed no earlier than the early part of next year.

Another looming possibility naturally, is that the funds could be determined to have been collected through illicit means, through force for example, in which case the businesses cannot be slapped with back taxes.

"What we are truly concerned about is that the revelation of large businesses having contributed huge funds to the former president will tarnish them, something that cannot be calculated in won or dollars," said one senior company official.

Opposition Parties Denounce Kim's Remark on Fund

*SK3010101995 Seoul YONHAP in English
1013 GMT 30 Oct 95*

[FBIS Transcribed Text] Seoul, Oct. 30 (YONHAP) — The three opposition parties on Monday urged President Kim Yong-sam to be more frank toward his role in the alleged flow of election funds from former President No Tae-u into the ruling Democratic Liberal Party [DLP] during the past presidential election of late 1992.

President Kim was DLP president and successfully ran in the election.

The National Congress for New Politics (NCNP) rejected as "falsehood" President Kim's remarks that he didn't personally receive any support from No Tae-u in the presidential election.

"The whole world knows that it was with No's support that he obtained the DLP nomination and that there was financial and other election support from No even after No left the DLP in the final phase of his presidency," NCNP Spokesman Pak Chi-won said.

Nevertheless, he said, President Kim is now committing the act of betrayal by denying any cooperation from No now that No comes under public fire over his secret funds.

Saying that President Kim is an undeniable successor to No Tae-u, the NCNP spokesman said the president cannot deny the reality of the past and should instead make public details about the election funds he received from No.

Kim Pu-kyom, deputy spokesman for the Democratic Party, said President Kim's denial of his part in the flow of election funds stems from his haughty attitude in which he doesn't dread the people.

"His remarks that everything would be disclosed by the police under his control indicates that he admits to the influx of hundreds of billion won from No into the DLP as widely rumored and also that he would cover up the delivery of the funds," the DP spokesman said.

Spokesman An Song-yol of the United Liberal Democrats said President Kim should promptly disclose the whole picture of the election funds.

The president's refusal to do so has been feeding all sorts of rumors and public anger, An said.

Swiss Agree To Cooperate on No Tae-u Accounts

*SK3010031795 Seoul YONHAP in English
0240 GMT 30 Oct 95*

[FBIS Transcribed Text] Seoul, Oct. 30 (YONHAP) — The Government of Switzerland recently informed South Korea that it is ready to cooperate with South Korea to shed light on any secret Swiss bank accounts held by Koreans if the South provides concrete evidence proving the money is connected to illegal activity, a Foreign Ministry official said Monday.

The Swiss Embassy here notified the Foreign Ministry of the Swiss Government's official position on the possibility of legal cooperation between the two countries, which have yet to sign an agreement on judicial cooperation, when the ministry filed a formal request with the Swiss Embassy about the matter, the official said.

The Foreign Ministry lodged the request in preparation for the possibility that the prosecution may find some clues that former President No Tae-u stashed secret funds in Swiss banks which are notorious around the world as being safe havens for dirty money.

"The Government of Switzerland, however, attach some strings to the investigation," the official said.

The first condition is that the Swiss authorities, specifically the Swiss federal office for police matters under the Department of Justice and Police, have to receive an official, written request for international judicial assistance in criminal matters issued by a competent authority of the requesting state, he said.

"The Swiss authorities will then decide whether to accept the request," he said, adding "it, however, will accept the request only if the requesting country provides concrete evidence supporting that the act under investigation in the requesting state is also punishable under Swiss law."

That means that those suspected bank accounts should be involved in drug-trafficking, illegal arms selling, corruption or any other crime which is universally considered illegal.

The Swiss Government also calls for the requesting country to guarantee reciprocity, meaning that South Korea should provide judicial cooperation to Switzerland in similar cases, he said.

Once the Swiss Government decides to grant judicial cooperation, "the application of coercive measures like the confiscation of goods and valuables, the lifting of banking secrecy and the blocking and restitution of funds will be possible," he said.

The official, however, noted that, in terms of practicality, it will not be easy for the country to retrieve all of No's money in Swiss banks, if there is any, noting that it took over 10 years for the Philippines to get about 500 million U.S. dollars back, just a portion of the huge sum of money stashed in Swiss banks by former Philippine President Ferdinand Marcos which allegedly totaled some 10 billion dollars.

"The Swiss authorities normally investigate only bank accounts about which requesting countries provided concrete evidence to the authorities," he said. "They tend not to expand their investigation into accounts which the requesting states failed to discover.

"Whether the government can retrieve No's money from Switzerland, if any, and how much will depend entirely on the South Korean law enforcement authorities," he said.

Prosecutors Plan To Probe '92 Campaign Finances

SK3110014695 Seoul YONHAP in English
0055 GMT 31 Oct 95

[FBIS Transcribed Text] Seoul, Oct. 31 (YONHAP) — Justice Minister An U-man said Monday that the prosecution will investigate the ruling camp's 1992 presidential election campaign finances even if there was no mention of them in the documents former President No Tae-u submitted to the prosecution regarding his huge secret slush fund.

Replying to queries at the National Assembly's budget and settlement committee Monday, An said, "even if the documents submitted by No don't have details about the 1992 presidential campaign expenses, the prosecution will probe into them in the event they emerge in the course of the investigation."

How much of No's slush fund was funneled to President Kim Yong-sam's presidential election campaign is now a major political issue, with the opposition parties demanding their finances be made public, while the ruling camp is refusing to reveal the information pending the outcome of the prosecution's probe of No's secret fund.

Justice Minister An also said, "by interrogating persons involved, tracing bank accounts and investigating the documents filed by No, the prosecution will uncover how No raised the slush fund and where he used it. The prosecution plans to conduct a thorough probe into the scandal so as not to leave any room for public suspicion about the matter."

Defense Minister Yi Yang-ho, meanwhile, denied the allegation before the budget and settlement committee that former Air Force Chief of Staff Chong Yong-hu, who objected to changing the type of the country's next-generation fighter from the F-18 to F-16, was coerced into being hospitalized.

"The allegation is groundless. He simply underwent an investigation in connection with personnel administrative matters at the same time he was being treated at a hospital," Yi said.

Testifying on the Board of Audit and Inspection (BAI) investigation of the Yulgok arms procurement project, BAI President Yi Si-yun said, "former President No's written answers submitted in line with the inspection were not satisfactory."

Prosecution: 185.7 Billion Won of Fund Unused

SK3010090895 Seoul YONHAP in English
0845 GMT 30 Oct 95

[FBIS Transcribed Text] Seoul, Oct. 30 (YONHAP) — The prosecution confirmed Monday afternoon that there is still 185.7 billion won of former president No Tae-u's secret fund left unused.

The total compares with the 170-billion-won figure the former president quoted during an apology he issued to the people last Friday [27 October].

No disclosed during the press conference that he raised 500 billion won in secret political funds, of which about 170 billion won were remaining unused at the time he left Chongwadae [presidential offices].

Prosecutor An Kang-min of the Public Prosecution's Administration said the difference in figures was discovered while reviewing the "reference documents" sent to his administration by the ex- president.

"But there is no change in the secret fund's total as disclosed by the former President No," he explained.

No's Secret Fund, Kim Tae-chung's Excuse Viewed

SK3010085995

[FBIS Editorial Report] Seoul vernacular dailies on 30 October carry editorials' assertions and suggestions in connection with recently reported secret fund amassed by former ROK President No Tae-u.

The moderate KYONGHYANG SINMUN carries on page 3 an 800-word editorial entitled "The Reason Why the Presidential Election Fund Should Be Clarified." The editorial begins, "Apart from the prosecution investigation of Mr. No Tae-u's secret fund, the culmination of power-backed corruption, the focus of attention of the political circles and the people is rapidly moving toward the political and election fund of major politicians representing our country's present politics." The editorial then notes, "Mr. No's secret fund is spreading into a sensitive political controversy affecting even the incumbent president of our country. Because the situation developed as such, we maintained that the election fund spent by both the ruling and the opposition parties during the 1992 presidential election should be made public thoroughly. We are making this assertion not because we want to cause trouble by making a legal issue of the prescription for public action for the presidential election law and the law on political fund, but because we think this incident should be made into a turning point to enhance our politics one stage higher morally." The editorial concludes, "The process for the clarification of the political fund should not be used as an opportunity to remove a political rival or to drag a political rival down with him. The people will be quick to be aware of such an insidious plot."

The pro-government SEOUL SINMUN carries on page 3 a 700-word editorial entitled "Disappointing Excuse Made by President Kim Tae- chung." The editorial begins, "Because Mr. No Tae-u's apology to the nation revealed that a considerable part of his secret fund made its way into the political circles and because Kim Tae-chung, president of the National Congress for New Politics, confessed that he received 2 billion won from Mr. No Tae-u, the people's distrust to the political circles is heightening." The editorial then notes, "The behavior of President Kim Tae-chung— who had so adamantly denied the report on his receipt of political fund from Mr. No— around the time when Mr. No made an apology to the nation is very disappointing." The editorial notes President Kim Tae-chung was compelled to admit the receipt of money from Mr. No Tae-u because Kim was afraid that Mr. No Tae-u might disclose his receipt of money from No in his apology. The editorial notes that President Kim Tae- chung is making a disappointing excuse that he received the money as a token of greeting. The editorial notes that President Kim Tae- chung should have no excuse in receiving the money from Mr. No Tae-u whom he is clamoring to punish in connection with the Kwangju incident, and notes President Kim Tae-chung's attempt to drag President Kim Yong-sam down with him by calling for the clarification of the ruling party's presidential election fund in 1992.

The left-leaning HANGYORE SINMUN carries on page 3 an 800-word editorial entitled "The Secret Account in Swiss Banks Should Be Exposed." The editorial begins, "Despite former President No Tae- u's apology to the people, the people's suspicion surrounding the secret fund is far from subsiding." The editorial then suspects Mr. No Tae-u received secret fund not only as donations from businesses, but also as commissions or rebates for such major projects as the Yulgok project, the construction of nuclear power plants, and the construction of the high-speed railway. The editorial notes that a considerable part of his secret fund is stashed away in Swiss banks which are well-known for depositing slush fund. The editorial concludes by urging the prosecution to thoroughly trace Mr. No's bank accounts overseas, particularly those in Switzerland.

President Vows Thorough Investigation of 'Fund'

SK3110035195 Seoul YONHAP in English 0314 GMT 31 Oct 95

[FBIS Transcribed Text] Seoul, Oct. 31 (YONHAP) — President Kim Yong-sam said Tuesday that his government will make a thorough investigation of former President No Tae-u's secret fund "without leaving any sanctuary" and will handle the scandal "in a fair and just manner."

Referring to No's slush fund as an "illicitly-amassed fortune," Kim reiterated that he did not receive any money directly from No during his 1992 presidential election campaign.

"I think former President No gave (1992 presidential election campaign fund) directly to the Democratic Liberal Party (DLP) in his capacity as the president of the party," Kim told a group of key party post holders at a breakfast meeting at Chongwadae [presidential offices].

Kim told them that illicit amassing of fortune is "a criminal act" and that any person, whether he is a ruling or opposition member, will be subject to a thorough investigation if he is found to be involved in the slush fund. "Political circles should cooperate with the prosecution's investigation," he said.

Referring to No's contributions to the ruling party, Kim said, "The former president must have provided funds to the ruling party when he served as the capacity of DLP's chairman. But I have no knowledge about the exact amount of such assistance, nor did I attempt to learn of it and he did not give any money through me."

Kim emphasized that he did not see No ever since he bolted from the ruling party. "And I did not meet with him afterwards."

He also said that the government should reconsider whether the present system of state subsidies for political parties is proper or not, adding, "such financial assistance under the political fund law uses tax money paid by the people."

As to his relations with the former President, Kim said No did not support him in his bid to gain the ruling party's presidential nomination. "I won the presidential candidacy on my own strengths. Is it plausible that No would have seceded from the party if he really wanted me to become president?"

Pledges Government's Integrity

SK2810035095 Seoul THE KOREA TIMES in English 28 Oct 95 p 2

[Report by KOREA TIMES correspondent Han Tong-su]

[FBIS Transcribed Text] Honolulu — President Kim Yong-sam Thursday hinted at taking legal steps against former president No Tae-u, who is under fire for amassing hundreds of billion won in slush funds while in office.

In a breakfast meeting with the Chongwadae press corps at Waikiki Resort Hotel, Kim said, "I have already instructed Prime Minister Yi Hong-ku to thoroughly investigate the case in an absolutely fair manner and in strict accordance with the law."

Kim said that investigation will be conducted in such a manner that it will not leave "even one speck of doubt" in its wake. "None (involved in the case) will be spared from the probe," the President said.

As if emphasizing his determination, Kim revealed that he had given instructions to Prime Minister Yi twice over the phone while in New York. "I believe that the (Prime Minister Yi) is faithfully following my instruction," Kim added.

Asked whether political considerations will be important in dealing with the case, Kim aid, "You'd better accept my words at face value."

"My civilian government, which is morally impeccable, is totally different from the military governments of the past," Kim said, adding, "I will make this a showcase of the moral integrity of the civilian government."

Recounting his opposition days, Kim admitted that he operated financially strapped opposition parties with sporadic "help" from his friends mostly managing small firms, which he said went broke because of oppression from dictatorial regimes.

"I was determined to put an end to the perennial collusive ties between politicians and conglomerates," Kim said. "For this reason, soon after my inauguration as President I vowed not to receive even a red penny from businessmen, and I have kept this promise and will continue to do [so]."

Briefing reporters on the results of his two-week tour to the United Nations and Canada, Kim said his trip was very fruitful in that it paved the way for South Korea to play a role suitable for one of the world's leading countries.

Kim said he met over 60 world leaders at the special UN General Assembly in New York to muster support for the South Korean bid for a non-permanent seat on the UN Security Council and to explain his UN reform plan.

"We cannot survive as isolationists. We must push globalization through the United Nations," Kim said. "We will become one of the 15 Security Council members, out of 185 UN members, on Nov. 7 and this means that South Korea will play a central role in tackling regional conflicts, poverty and other global issues.

"In particular, our becoming a Council member is also meaningful in consideration of the unstable inter-Korean relations," Kim said, adding, "We do not want North Korea to be isolated (from the international community). Neither do we want the North to do unthinkable things (out of desperation)."

As for his Canadian visit, Kim said South Korea's special partnership with Canada, a member of both the NAFTA and APEC, is very important as Canada, whose economy is complementary with Korea, will play an important role in South Korean enterprises' advance into the U.S. market.

Kim revealed that Korea and Canada will soon agree to increase aviation links — from three to seven flights a week.

Saying that the 5 million Korean residents overseas are valuable assets for Korea, Kim revealed that he will have a committee, to be composed of government and Chongwadae officials plus civilian experts, map out a master plan to enlarge economic, cultural and personnel exchanges between the ethnic Korean communities and their motherland.

Yu Chong-ha, senior presidential secretary for foreign affairs and national security, said that Kim's remarks do not mean the government will seek to set up political or administrative ties with ethnic Koreans overseas.

"The links will be sought only on an economic and cultural basis," Yu said, adding, "Whenever Kim meets Korean residents in foreign counties, he repeatedly asks them to do their best to become exemplary citizens of the countries to which they belong."

Meanwhile, President Kim visited the U.S. Pacific Command in the Hawaiian capital Thursday afternoon to be briefed on military issues in Northeast Asia by Command Adm. Richard Macke and to make a speech in an honor guard ceremony.

The Pacific Command, headquartered at Camp Smith in Halawa Heights, directs all branches of the U.S. armed forces in the Pacific and Indian Oceans — an area covering more than half the globe.

After the visit to the command, Kim inspected the U.S. Pacific Fleet at Pearl Harbor and made a speech aboard USS Port Royal, an Aegis-class cruiser.

In the speeches at the command and aboard Port Royal, Kim lauded the Pacific Command for its "decisive" role in maintaining peace on the Korean Peninsula.

"The active and generous support of the American people and the dedication and sacrifice of American officers and military personnel have been largely responsible for making South Korea what it is today," Kim said.

"American military personnel under the Pacific Command, including more than 36,000 officers and men and women stationed in South Korea, are a reliable shield for peace on the Korean Peninsula and security in the Asia-Pacific region," the South Korean President said.

Winding up his three-day visit to Hawaii, Kim will return home Friday morning (Saturday afternoon KST [Korean Standard Time]).

Says No Election Funds From No

SK3010085095 Seoul YONHAP in English 0842 GMT 30 Oct 95

[FBIS Transcribed Text] Seoul, Oct. 30 (YONHAP) — President Kim Yong-sam on Monday said that he did not personally receive any funds from former President No Tae-u during the 1992 presidential election campaign.

At a luncheon meeting at Chongwadae [presidential offices] with leaders of three government branches and co-leader Pak Il of the minor opposition Democratic Party, President Kim said, "While former President No served as president of the Democratic Liberal Party [DLP], never had he told me about party funds, nor had I any involvement with them."

Asked by Rep. Pak Il to make public how much money he received from No during his 1992 presidential election campaign, Kim was quoted by his Chief Spokesman Yun Yo-chun as saying, "No bolted from the ruling party because he did not wanted to see me elected president. Since then, never have I seen him... It is assumed that the party president (No) himself provided financial support to the party."

Then President No resigned as DLP member on Oct. 5, 1992, in a purported bid to keep himself aloof from the Dec. 18 presidential election that year.

Attending the luncheon gathering were House Speaker Hwang Nak- chu, Chief Justice Yun Kwan, Prime Minister Yi Hong-ku and Chief Justice of the Constitutional Court Kim Yong-chun as well as Pak Il.

Regarding the prosecution's investigation of the nation-rocking slush fund scandal involving No, the president was quoted as saying, "As all are equal before the law, I'll see to it that a thorough probe is made with no sanctuary. I have no intention of compromising on the matter. A fair and just investigation shall be made without consideration for personal interests."

Kim was further quoted as maintaining, "Under a conviction that most serious among the Korean diseases is for a president to receive money, I declared after taking office that I wouldn't accept even a penny in political funds, a promise which I have kept thus far. To serve as president in and of itself is the highest honor bestowed on any man: For what purpose should one attempt to accumulate wealth through illegal means?"

Declaring his determination not to tolerate the creation of slush funds by political parties, both ruling and opposition, Kim said, "We have to realize a political system in which no huge sums of money are required, even it means we must amend the laws governing political funds and elections."

Should the nation leave the issue of slush funds unresolved, Kim went on to assert, "Both ruling and opposition parties will perish in the face of popular distrust of politics. While political circles should reflect on themselves and should be reborn with the current slush fund scandal serving as momentum."

Kim Tae-chung, president of the major opposition National Congress for New Politics, and Kim Chong-pil, president of the splinter opposition United Liberal Democrats, declined invitations to attend the luncheon meeting.

Proposes Measures To Settle Issue

SK3110081495 Seoul YONHAP in English 0730 GMT 31 Oct 95

["News Analysis" by Kim Myong-chol: "Kim YS Proposes Measures To Settle Secret Political Fund Scandal"]

[FBIS Transcribed Text] Seoul, Oct. 31 (YONHAP) — President Kim Yong-sam, who concurrently heads the ruling Democratic Liberal Party (DLP), proposed a package of measures to help settle the secret political fund scandal involving former President No Tae-u at a breakfast meeting of key party post-holders at Chongwadae [presidential offices] Tuesday.

The package includes measures for legal proceedings against the former president, settlement of the controversy over the 1992 presidential election campaign funds and new political reforms.

Kim said, "'Secret fund' is not the proper term, and I think it is not a secret fund but an illicitly-amassed fortune and the amassing of fortunes illicitly is a criminal act."

He thus indicated that No is an illicit fortune creator and that the case will be handled "in a fair and unbiased manner" on the principle that everybody is equal before the law.

In other words, No would not be treated as former head of the state in the handling of the case. He would be dealt with strictly in accordance with related laws, which would mean that he may be brought to justice and could face a criminal conviction.

Kim suggested that No would be indicted not on charges of violating the political fund law but on charges of taking bribes from businesses.

At a luncheon meeting with government and political party leaders the day before, Kim said he had nothing to do with the funds No contributed to presidential candidates in the 1992 election.

Saying he shares the people's sentiments and also feels "betrayed" by the former president, Kim made it clear that he had never personally received election contributions from No during the 1992 presidential race, indicating that he would deal with the secret fund based on the morality of his civilian government.

The president repeatedly said that he had nothing to do with the political slush fund No raised while in office and that the investigation of the former president's fund should be treated as a criminal case involving the amassing of fortunes in a dubious manner.

In the package, the chief executive also indicated that he would institute new political reforms.

He said he had ordered law enforcement authorities to conduct a thorough probe of those involved in the secret fund scandal, irrespective of whether they belong to the ruling camp or the opposition.

He warned that if politics-business collusion is left unchecked now, the political community, including both the government and opposition parties, would face a total collapse.

Kim's new political reform package is being interpreted by some observers as an indication that President Kim Tae-chung of the main opposition National Congress for New Politics (NCNP) would not be exempted from the above-mentioned thorough probe as the NCNP leader confessed to having received 2 billion won from No during the 1992 presidential race.

Although the opposition leader said no strings were attached to the money he received from No, it did come from the ill-gotten, or criminal, funds and this would warrant an investigation of Kim Tae- chung.

President Kim Chong-pil of the minor opposition United Liberal Democrats (ULD) would also face a similar probe as allegations have surfaced that he holds a 10-billion-won fund in a false-name bank account. In addition, other politicians suspected of having received money from the former president during the investigation of the secret fund scandal would be summoned by the prosecution for questioning.

In the breakfast meeting, Kim proposed turning the scandal into a blessing, saying, "Let's reflect on what we did in the past and strive to turn the scandal into an opportunity to win back the people's confidence in politics."

In short, he stressed the need for the nation's political community to be reborn.

"The party should seek to hold inexpensive elections and study whether the present system of government subsidies for political parties is proper," he said, suggesting that present election and political fund laws should be amended, if need be.

Upon his inauguration in early 1993, Kim launched political reforms which required ranking public officials to disclose their property, among other possessions.

Kim is strictly handling the secret fund scandal, but on the other hand he wants to minimize its impact on the ruling party.

"People often name the people of the so-called fifth and sixth republics (ruled by former Presidents Chon Tu-hwan and No Tae-u) when they talk about the scandal, but I think it is strictly Mr. No's personal problem and it has nothing to do with those who served him during his presidency," he said.

In an apparent address to those who once followed No, Kim added, "You must also have felt betrayed."

Kim thus implied that neither the political alliance with the minor opposition Democratic Party and the budding reformist force seeking a grand political realignment, nor the discontinuing of relations between the sixth republic and the DLP, allegedly called for by the so-called democratic faction in the ruling party, is of any help to settling the secret fund scandal.

President Kim, meanwhile, proposed settling the case on the principle of equality before the law and strictly in accordance with it, turning the scandal into a political blessing.

"We should accept it as a new challenge and turn the challenge into a new opportunity for political development," he stressed.

Refers to Illicitly Amassed Fortune

SK3110092995 Seoul YONHAP in English
0916 GMT 31 Oct 95

[FBIS Transcribed Text] Seoul, Oct. 31 (YONHAP) — Referring to the 500 billion-won "fund for governing" allegedly accumulated by ex-President No Tae-u as "illicitly amassed fortune," President Kim Yong-sam declared Tuesday that he will "strictly deal with this case so that the people will see everyone is equal before the law."

"Everything will be revealed through a thorough and fair investigation before the prosecution," Kim said in a special interview he had with THE KOREA TIMES at Chongwadae [presidential offices] on the occasion of the English daily's 45th anniversary. He predicted a "catastrophe" for both the ruling and opposition camps if the government mishandles the affair.

The chief executive ruled out receiving any money from anyone during the remaining years of his term.

"The presidency is the highest achievement. What else can I ask for?" He remarked, adding, "when my term ends, I will return to my home in Sangdo-tong, the only asset that I own as a common citizen."

Another No-related matter Kim commented on was the issue on whether to arraign on criminal charges No and former President Chon Tu-hwan for their roles in the bloody suppression of the 1980 Kwangju democratization movement.

He remarked, "It is proper to wait for a ruling by the Constitutional Court on the prosecution's decision not to indict them," adding that he, having been a victim of the military regime, will reveal his position on the matter shortly.

In the wake of worsening relations with North Korea, the president said that Seoul will be flexible in dealing with the communist nation, but will "sternly deal with" any provocation and irrational actions by Pyongyang.

On his recent trip to the United Nations' 50th anniversary, the president said that South Korea will be a more active player in UN and other international affairs by participating in UN peacekeeping missions, social and economic assistance programs for developing nations, and financial contributions commensurate with its increased affluence.

Kim said that his nation gaining a non-permanent seat on the UN Security Council will serve to deter a potential conflict from erupting on the peninsula.

NCNP Decides To Hold Hearings on 'Scandals'

SK3110051895 Seoul YONHAP in English
0416 GMT 31 Oct 95

[FBIS Transcribed Text] Seoul, Oct. 31 (YONHAP) — The main opposition National Congress for New Politics (NCNP) has decided to hold public hearings on the fund scandals involving former President No Tae-u and President Kim Yong-sam's 1992 presidential campaign finances next week.

The NCNP, intensifying its political offensive against the Kim Yong-sam government, made the decision Tuesday morning at a meeting of its fact-finding committee on the Sixth Republic's fund scandals and President Kim Yong-sam's campaign expenses.

The opposition party also decided to run advertisements in daily newspapers soliciting information about the scandals involving the former and current presidents.

The topics of the public hearing will include matters related to arms purchases, nuclear power plant construction, the Seoul-Pusan high-speed railway construction project, the building of a new international airport on Yongjong Island off Inchon and the nation's private mobile telecommunication businesses, among others.

The hearing will also deal with whether or not money was funneled from No's secret fund to President Kim's 1992 election campaign and whether or not the Kim Yong-sam government has covered up the money No stashed in secret accounts.

Rep. Kang Chol-sun of the fact-finding committee charged that President Kim Yong-sam deceived the people with a statement indicating that he did not receive campaign contributions from No despite allegations made by Chairman Kim Yun-hwan of the ruling Democratic Liberal Party and No's former Chief Secretary Chong Hae- chang which suggested that Kim received money from No during the election race.

Meanwhile, the minor opposition Democratic Party demanded, in a resolution passed by its Supreme Council Tuesday morning, that President Kim Yong-sam make public the financial records concerning his 1992 presidential campaign and any money he received from No during the election.

Prosecution Decides To Summon Ex-President No

SK3110021195 Seoul YONHAP in English
0139 GMT 31 Oct 95

[FBIS Transcribed Text] Seoul, Oct. 31 (YONHAP) — The prosecution decided Tuesday to summon former President No Tae-u for questioning at 10 AM Wednesday about details of the secret fund he amassed during his presidential tenure.

The prosecution made the decision after judging that the "reference documents" submitted by the former president on Monday did not sufficiently reveal the true state and location of the slush fund.

No will be the first president ever to be summoned by the prosecution for questioning.

"The 10 pages of documents contain information about the secret fund which amounted to 500 billion won and what remains of it, as well as the bank account numbers where the money is stashed," an official at the supreme public prosecutor's office said.

He said, however, the prosecution is presently checking the bank accounts to find how and when the 500-billion-won slush fund was raised, saying that it has almost completed the necessary preparations to interrogate the former president.

Meanwhile, prosecutors are expected to question No about when and how the secret fund was raised, who contributed to it, whether money was provided to ruling and opposition politicians and if there were any funds stashed overseas.

Kim Yong-sam Receives Global Leadership Award

SK2510045895 Seoul YONHAP in English
0306 GMT 25 Oct 95

[FBIS Transcribed Text] New York, Oct. 24 (YONHAP) — President Kim Yong-sam on Tuesday received the Global Leadership Award from the United Nations Association of the United States, a prize which is given to those who have contributed to the realization of UN ideals.

In his acceptance address delivered at the award presentation ceremony held at the Pierre Hotel in New York City, President Kim said, "The Republic of Korea's nation-building over the past 50 years has been the story of the United Nations, the Republic of Korea and the United States working together to realize the ideals of the United Nations."

Noting that South Korea has been able to realize the values enunciated in the UN Charter — freedom, human rights and justice — through its successful industrialization and political democratization, the chief executive pledged, "the Republic of Korea would like to pay back the United Nations and all of you for the support you have shown us by making a greater contribution to the world and humanity."

Turning to inter-Korean relations, Kim said that to achieve the peaceful unification of Korea, "the early restoration of stability and orderly change in North Korea are very important.

"If North Korea decides to take the path toward change and reform," he went on to say, "we are prepared to offer them significant aid and economic cooperation."

But such inter-Korean economic cooperation "ultimately has to be mutually beneficial in accordance with market economy principles," he added.

Earlier Tuesday, Kim held a series of separate summit talks with leaders from five countries — Spain, Vietnam, Tajikistan, the Marshall Islands and Israel.

President Kim and Spanish Prime Minister Felipe Gonzales agreed in their meeting to make joint efforts for expanded relations between South Korea and the European Union, officials accompanying the chief executive said. Spain is now the chair country of the European Union.

Discussions between Kim and Vietnamese President Le Duc Anh focused on ways to encourage joint ventures combining South Korea's capital and technology with the Vietnamese labor force and natural resources, according to the officials.

In his talks with Tajik President Emomali Rakhmanov, Kim asked for Tajikistan's support to help elevate the status of and improving welfare for ethnic Koreans living in Tajikistan.

Officials added that Marshall Islands President Amata Kabua pledged to Kim that his government would provide support to Korean firms in their effort to construct airports and tourist facilities in the island country.

In Kim's talks with Israeli Prime Minister Yitzhaq Rabin, the two leaders reportedly agreed to conclude an investment guarantee and double taxation avoidance pacts at an early date with a view to substantially increasing trade between the two countries. Rabin promised Kim he would study ways to encourage Korean firms to participate in telecommunications projects in Israel.

Kim is scheduled to depart New York Tuesday for Honolulu, Hawaii, on the last leg of his 13-day American tour, wrapping up his five- day visit to New York.

Reformist New Party Proposes Merger With DP

SK2610033295 Seoul YONHAP in English 0222 GMT 26 Oct 95

[FBIS Transcribed Text] Seoul, Oct. 26 (YONHAP) — The projected Reformist New Party formally proposed Thursday a merger with the minor opposition Democratic Party (DP) in an effort to "consolidate reformist forces."

To that end, the Reformist New Party's Inauguration Preparatory Committee has named Secretary-General So Kyong-sok and Chief Planner Song Yu-po to be its merger negotiators and assigned them to immediately negotiate the proposed merger with the Democratic Party.

The proposal was formally announced at a press conference held by Co-Chairmen Chang Ul-pyong and Hong Song-u of the Reformist New Party Inauguration Preparatory Committee.

Calling for the "elimination of all attempts to occupy greater shares or apportion key posts among factions," the Preparatory Committee proposed that a merger of the two political groups be declared sometime next month, that a merger party convention be held sometime in December and that a single leadership system be adopted.

As to the selection of a presidential candidate by the proposed merged party, the Preparatory Committee suggested that the American- style presidential primaries be introduced, in which party members nominate a particular candidate for the presidency.

Commenting on the secret political fund scandal involving former President No Tae-u, the two co-chairmen advocated the improvement of the country's political climate, saying, "It has now become clear that the emergence of a completely new political force, which is morally clean, alone can achieve a breakthrough in our outdated politics."

Domestic Car Sales Reportedly Decreased Jan-Sep

SK2610031295 Seoul THE KOREA HERALD in English 26 Oct 95 p 8

[FBIS Transcribed Text] Domestic car sales declined for the first time in Korea, in what market watchers interpreted as the start of slowing auto demand.

Industry statistics placed Jan.-Sept. auto sales at 1,117,000 units, down 2 percent from 1,140,000 units sold over the same period last year. Auto sales in Korea have never before registered a negative growth.

The change is a drastic turnabout from an average 20-percent annual sales growth the Korean automakers have seen in the last 10- year period.

For the current year through September, demand for passenger cars was shown to have diminished by 2.9 percent to some 812,000 units. But sales were up for commercial vehicles at 305,500 units, 0.6 percent higher compared to the same period last year.

Analysts explained the trend to the start of saturation in the domestic car market. Korea's auto ownership numbers about 8 million for a populace of about 44 million, according to the latest statistics by the Construction and Transportation Ministry.

The urban traffic gridlock is also said to have discouraged auto purchases. "One give-away sign is that car registration in major cities is growing at a much slower rate than in smaller towns," noted one auto analyst.

Registration in Seoul grew by 7.3 percent, compared with the nationwide average growth rate of 18.2 percent.

But market watchers are not ruling out the possibility the negative growth may be a passing trend, and that sales are seen growing over a longer term. "There's plenty of room left for growth," said the analyst.

Another projection is from Korean transportation authorities who are in the midst of overhauling the country's infrastructure. Their plans for highway expansion is based on a projection that Korean car ownership could triple to 24 million by the year 2011.

Burma

Laotian Military Delegation Arrives in Rangoon

BK2710155595 Rangoon Radio Myanmar in Burmese 1330 GMT 27 Oct 95

[FBIS Translated Text] A 18-member Laotian military delegation led by Lieutenant General Choummali Saignason, defense minister of the Lao People's Democratic Republic, arrived in Myanmar [Burma] by air at 1000 today at the invitation of Lt. Gen. Min Thein, minister of the State Law and Order Restoration Council [SLORC] Chairman Office of the Union of Myanmar Government.

The delegation was welcomed at the Yangon International Airport by Lt. Gen. Min Thein and Brigadier General Myo Thant, ministers of the SLORC Chairman Office; Brig. Gen. Khin Maung Than, chairman of the Yangon [Rangoon] Division Law and Order Restoration Council and commander of the Yangon Military Command; Brig. Gen. Saw Lwin, director general of the Military Training; Brig. Gen. Soe Than, commander of the Mingaladon Air Base; responsible personnel of the Defense Ministry and Foreign Ministry, Mr. Ly Bounkham, Laotian ambassador to Myanmar; and responsible personnel of the Laotian Embassy.

Border Delegates Talk With Indian Officials

BK2810074995 Rangoon Radio Myanmar in Burmese 1330 GMT 27 Oct 95

[FBIS Translated Text] Myanmar [Burmese] delegates who attended the 5th Myanmar[Burma]-India regional level meeting of border and frontier area officials held in Shillong, Meghalaya State in the northeastern part of India on 17-20 October arrived in Yangon [Rangoon] by air through Tamu and Kale on the evening of 23 October.

The delegation was headed by U Ohn Han, deputy director general of the General Administration Department of Ministry Home Affairs, and included 17 departmental representatives. At the meeting, both sides amicably discussed matters concerning security, administration, economy, social, culture, and sports activities in border area.

Shan Rebel Official Denies MTA-Rangoon Pact

BK2810122295 Bangkok BANGKOK POST in English 28 Oct 95 p 6

[Unattributed Report]

[FBIS Transcribed Text] A member of the Central Executive Committee (CEC) of the Shan State Army yesterday dismissed reports that the Mong Tai Army had signed a ceasefire agreement with Rangoon.

Col Khunduan Saengkham, a CEC spokesman, was referring to reports that the MTA's eastern commander Chao Sulai had exchanged letters with the Burmese regional commander, which resulted in their agreement that both sides would halt military operations, at least for the time being.

Chao Sulai is a close aide of drug kingpin Khun Sa, who commands the powerful MTA guerrilla forces operating in Burma's northeastern Shan State.

Col Khunduan claimed that Burma's ruling junta, officially known as the State Law and Order Restoration Council (SLORC), might have released the news as a ploy to divide the people of Shan State.

He said the reported MTA-SLORC ceasefire agreement could only be "a joke" since Khun Sa had no role in the CEC and it was therefore impossible for his aide to do such things under the CEC's name.

However he conceded that the CEC had sent a letter to the SLORC in early September, but added that the letter was mainly about narcotics suppression in Shan State.

Meanwhile, it was reported that CEC chairman Zao Gunjade would return from his official trip within a few days.

Gunjade, also president of the Shan State National Congress, had collaborated with 10 other high-level military officers to seize control of the MTA congress and the organisation itself on August 12.

They then set up an 11-member CEC, which does not include Khun Sa.

Khun Sa had earlier said he was ready to hand over power to Gunjade as soon as the latter arrived at his base.

Khin Nyunt Meets Special Region Kachin Leaders

BK2810143695 Rangoon Radio Myanmar in Burmese 1330 GMT 28 Oct 95

[FBIS Translated Text] Lieutenant General Khin Nyunt, chairman of the Work Committee for the Development of Border Areas and National Races [WCDBANR] and secretary-1 of the State Law and Order Restoration Council [SLORC], received U Za Hkun Ting Ring, a national leader from Special Region-1 in Kachin State, and members — U Mok Yin Taung Haung, U San Wai Khaung Non, U Htoo Khaing, and U Nyein Aye — at the Defense Services Guest House on Uyin Road in Yangon [Rangoon] at 1630 today.

The meeting was also attended by Lt. Gen. Maung Thint, minister of progress of border areas and national races and development affairs; Lieutenant Colonel Pe

Nyein, director general of the SLORC Office; and responsible personnel.

At the meeting, they coordinated and held discussions on matters related to the improvement of transportation, education, health, agriculture, livestock breeding, and regional development programs.

Brunei, Malaysia & Singapore

Malaysia

Kuala Lumpur, PRC on Claimants to Spratlys

BK2810100495 Kuala Lumpur NEW STRAITS TIMES in English 27 Oct 95 p 2

[FBIS Transcribed Text] Kuala Lumpur, Thurs. [26 October] — Malaysia and China stated that the claims to the Spratly Islands in the South China Sea should be resolved solely by the six countries claiming stakes to the islands.

China's Vice Foreign Minister Tang Jiaxuan said the two countries felt any interference by outside forces to find an amicable solution should be rejected by all countries concerned.

He said Malaysia and China believed an amicable solution to the issue could be reached if the claimants discussed the matter with goodwill and understanding.

"Both countries have agreed the issue surrounding the claims to the islands should be settled with international requirements," he said after the Fifth Bilateral meeting between officials of the Foreign Ministries of Malaysia and China.

Tang led a 10-man Chinese delegation while the Malaysian side was led by Foreign Ministry Secretary General Tan Sri Ahmad Kamil Jaafar. The meeting was held at the Hilton Hotel.

Tang said he was pleased that the meeting was conducted in an atmosphere of sincerity and friendship and added that this augured well for the continuation of discussions on the claims.

Spratlys is a string of uninhabited islands, reefs and atolls which are said to be rich in oil, gas and minerals.

The claimants to the islands are Malaysia, China, the Philippines, Vietnam, Taiwan and Brunei.

Tang said China believed that all differences of opinion could be put aside if leaders of Malaysia and China were determined to work for the fundamental interests of the people of their countries.

He said both Malaysia and China were committed towards safeguarding peace and stability in the region and therefore, such matters would be given top priority in handling the Spratlys issue.

Ahmad Kamil said Malaysia and China were committed to resolve the dispute peacefully and would not condone any use of force.

"We will seriously study the points and views put forward by the Chinese delegation and will look at them positively," he said after the meeting.

Ahmad Kamil said he also took the opportunity to thank China for supporting Malaysia's initiative in establishing the East Asia Economic Caucus.

Officials Say Mahathir Noncommittal on APEC

OW3010002295 Tokyo KYODO in English 2317 GMT 29 Oct 95

[FBIS Transcribed Text] Kuala Lumpur, Oct. 30 KYODO — Prime Minister Mahathir Mohamed on Sunday night avoided giving a clear-cut response to a Japanese request for his participation in the annual informal summit of the Asia-Pacific Economic Cooperation (APEC) forum set for Nov. 19 in Osaka, Japanese officials said.

The request was made when Masajuro Shiokawa, a special envoy dispatched by Japanese Prime Minister Tomiichi Murayama, conferred with Mahathir at his private residence, said the officials who sat in on their talks.

Shiokawa, chairman of the Executive Council of the Liberal Democratic Party, the largest force in the ruling coalition, met with Mahathir to convey Murayama's message that Japan looks forward to his attendance.

Mahathir boycotted the first APEC informal summit in Seattle, the United States, in 1993 but attended the one in Bogor, Indonesia, in 1994.

Mahathir was quoted as giving relatively high marks to the Japanese request for his attendance at the Osaka gathering, saying that he had been forced to accept prepared decisions at the previous two summits.

He told Shiokawa he will make a decision after fully hearing views of his government's officials and cabinet ministers concerned, according to the Japanese officials.

Mahathir was also quoted as implicitly criticizing Tokyo for remaining noncommittal on the creation of the East Asia Economic Caucus (EAEC) in the face of opposition from Washington.

He told the Japanese envoy that Malaysia is aiming to establish the EAEC as a consultative body within APEC, the Japanese officials said.

The EAEC concept was first proposed by Mahathir in 1990, initially as an exclusive trading group of east Asian countries to include the member states of the Association of Southeast Asian Nations, Japan, China and South Korea.

The proposal met with strong opposition from the U.S. and was later watered down.

After the talks with Mahathir, Shiokawa said he was impressed with what he called a "forward-looking" stance of Mahathir regarding the APEC summit in Osaka.

Editorial Calls 1996 Budget 'Comprehensive'

BK3110041695 Kuala Lumpur BERITA HARIAN in Malay 30 Oct 95

[Editorial: "The Comprehensive '96 State Budget" — Received via internet]

[FBIS Translated Text] Various aspects on the individual were taken into consideration when the 1996 state budget was drawn up. In principle, the ordinary citizen and his family stand to benefit from the budget. Had it catered only to the requirements of a particular group, the question would have arisen as to how such a budget could improve this group's standard of living — most importantly, how could it help lessen poverty. If people were traders, distributors, importers or exporters, then they would naturally be more interested in the announcement on tariffs because it is relevant to their activities. However, industrialists or company owners would only be interested in incentives given or rescinded as well as the increment, reduction or annulment of taxes on natural resources or industrial products.

It could be acknowledged that all parties concerned reacted positively when Finance Minister Datuk Sri Anwar Ibrahim presented the 1996 state budget in the House of Representatives on Friday. Several adjustments were made to the economic structure to create a more balanced situation for the people. Most agreed that the budget symbolized the country's economic wisdom. The decisions made in it were based on the economic situation and careful planning. They cover not only aspects of comprehensive economic management, they are also based on creating a society with more social justice, greater knowledge, as well one that is compassionate and has a richer culture. However, included were provisions to counter possible global upheavals such as the unjust practices of the industrialized nations against developing countries, trade disputes, the unstable financial system, social disparity and unexpected events such as the Mexican financial crisis. This shows that even though the government gives special incentives, it does not mean that it is not well equipped to deflect unexpected catastrophes that could test the country's economic prowess.

Affluent companies or institutions did not voice or express dissatisfaction over the budget. On the other hand, the lower and middle classes considered Anwar's budget as promising them a brighter future and a more comfortable life. The minister has placed each sector in its appropriate place so that they will function accordingly to bolster the country's economy to greater heights.

The minister also did not forget his social obligations. To overcome problems, the budget was aimed strategically at maintaining stable growth with minimum inflation; strengthening the services sector; further developing human resources, technology and perpetuating the social development agenda.

We believe the RM55.467 billion [Malaysian currency] allocation for next year could be used to its maximum benefit. We are confident that national development will continue given the RM41.266 billion set aside for administration and RM14.201 billion for development. Notwithstanding, after careful planning to face any eventuality, we are still concerned over our trade deficit.

A discreet and wise method has to be employed to overcome our current account deficit which is expected to rise to RM18.1 billion or nine percent of our GNP. We should not be unduly worried as long as the government is aware and remains capable of dealing with this. Basically, given the budget incentives, the government will nevertheless and assuredly give priority to the people's welfare instead of concentrating on the expected deficit. Unquestionably, the government will not and cannot brush aside the people's rights.

The government should bear the responsibility of overcoming the deficit and not burden the people with such a responsibility. Moreover, this is not an extraordinary problem and can be resolved.

On the other hand, it does not mean that people can go on a spending spree, given the fact that the government has provided them with some special concessions — tax reduction or exemptions, including a reduction in their personal income taxes. The people should consider these concessions as an encouragement to save and be more thrifty. To avoid extravagance, we hope that the rate of contribution to the Employees Provident Fund (EPF) will be raised from the existing 10 to 11 percent. This will increase the people's savings for their future use. In fact, as Malaysians, we are thankful that the state budget guarantees our country's strong, stable and perpetual economic growth while ensuring our continued prosperity.

Cambodia

Khmer Rouge Minister on Growing Urban Opposition

BK3110052795 (Clandestine) Radio of the Provisional Government of National Union and National Salvation of Cambodia in Cambodian 2330 GMT 30 Oct 95

[Interview with Mak Ben, minister of rural areas, agriculture, and water conservancy of the Provisional Government of National Union and National Salvation, by an unidentified radio correspondent on 30 October; place not given — recorded]

[FBIS Translated Text] [Correspondent] Greetings to Your Excellency. What issues did the 30 October cabinet meeting discuss?

[Mak] The cabinet examined the reports of local, provincial, and district committees concerning the situation of the people's crop cultivation during this rainy season, which normally ends at the end of October. As a matter of fact, during this rainy season the people as a whole have been able to grow very little crops. There were also natural disasters. However, the main causes permanently crippling our people and preventing them from growing crops and depriving them of food are:

1. The destructive war of communist Vietnam, the alliance, and the two heads.

2. The wholesale plunder by the communist Vietnamese puppet administration of all the land, fields, orchards, belongings, resources, grains, and crops of the people.

3. The wholesale plunder by communist Vietnam and more than four million ethnic Vietnamese of the land, fields, orchards, rivers, lakes, ponds, rice, fish, meat, and economies of the people.

4. The foreign merchants who have connived with the two heads to plunder millions of hectares of our land and forests.

All this is the root cause preventing the people from working their land to feed themselves for the past 16-17 years. The people have been going hungry for the past 16-17 years. Their starvation becomes more serious with each passing year. In 1995, people all over the country faced hunger, with some of them dying from it in a most lamentable manner. Rice growing has become impossible during the rainy season and this will surely aggravate the famine in 1996. Rice usually ripens in October, November, and December wherever the people have been able to grow it. However, the army of the two heads — which by nature is an army of aggression, an army of thieves — will not allow our people survive. It is conducting raids to rob and destroy the people's rice. It robs and destroys rice everywhere — in the fields, on the thrashing floors, and in the silos. It torches the homes of the people, takes away their herds, and completely destroys all their crops.

[Correspondent] What measures did the cabinet take in this situation?

[Mak] The cabinet of our Provisional Government of National Union and National Salvation has advised local, provincial, and district committees and our army units to join forces as a single body with our people and to the struggle to defend farm produce, rice, other crops, and belongings of the people, and preventing the communist Vietnamese puppet administration, the army and police of the two-headed lackeys of communist Vietnam, and the ethnic Vietnamese from looting and destroying them. Past and present experiences show that wherever our National Army and people implement the guerrilla war tactics to defend villages and communes and cut roads with the correct and extensive use of punji networks, including poison-tipped stakes, poisonous stakes, punji pits, plain stakes, and mines, the thieving administration, army, and police of the two heads cannot enter the villages and rob the people of their rice, cattle, and other farm produce, nor can they forcibly press our people's children into their army and militia. The peasants are fighting resolutely and are joining with the rest of the nation and people in the struggle to terminate the communist Vietnamese war, to protect their own lives, and to defend and perpetuate the nation, people, and race.

[Correspondent] A few days ago, Sar Kheng and the puppet governor of Kompong Chhnang ordered their fascist police to burn down Phsa Kraom market in Kompong Chhnang, to arrest and beat up traders, to strip and rape their women, and to rob them of goods and wares.

[Mak] Yes, the burning of Phsa Kraom and suppression against people and traders in the market of Kompong Chhnang by the two- headed police were directly ordered by the Communist Party of Vietnam committee in Kompong Chhnang and by Hun Sen and Sar Kheng, the goons of communist Vietnam. They ordered their fascist police to expel people and traders from the market of Kompong Chhnang to make way for the ethnic Vietnamese who just arrived from Vietnam. The people and traders in the Kompong Chhnag market fought back courageously against the fascist police. They used sticks and knives to beat and hack at the thieving policemen, wounding a few of them. Later, the people and traders staged a demonstration to condemn the nation-selling, nation-killing, and people-murdering two-headed regime.

This clearly shows that the people would not let themselves be massacred by the enemy without putting up a fight. They will struggle resolutely for survival, for their own survival and for national survival.

[Correspondent] Thank you. Will the recent smashing and robbing of the NEW LIBERTY NEWS office in Phnom Penh — a fascist act by the agonizing two heads — be capable of withstanding urban struggle movement?

[Mak] I would like to affirm that the ones who smashed and robbed the NEW LIBERTY NEWS office were the communist Vietnamese dac cong [sappers] under the direct command of Hun Sen and Sar Kheng. The bloody, suppressive grenade attacks against the congress of the Buddhist Liberal Democratic Party were also carried out by the dac cong under the direct command of Hun Sen and Sar Kheng. These fascist, savage acts confirm and reflect the all-around collapse and decay of the two heads; they confirm and reflect the agony, the anguish of the two heads. The fascist acts of the two heads cannot douse or quash the fighting spirit of the people and cannot withstand the resistance movement of the journalists, students, and masses. The two heads have issued fascist laws and conducted suppressive fascist acts against countless journalists and yet the newspapers continue to be published and to denounce, expose, and condemn the two heads directly, publicly, and unequivocally. This clearly proves that wherever there is fascism, there is oosition. The fascist two-headed regime is tightening the noose around its own neck.

Indonesia

Suharto Meets Clinton, U.S. Policymakers 27 Oct

BK2810085595 Jakarta KOMPAS in Indonesian 28 Oct 95

[Unattributed Report — received via Internet]

[FBIS Translated Excerpt] Washington, KOMPAS — President Suharto and U.S. President Bill Clinton met at the White House in Washington D.C. on Friday morning (Friday evening West Indonesian Standard Time). They discussed bilateral, regional, and international issues and exchanged views on preparations for the APEC [Asia-Pacific Economic Cooperation] economic leaders meeting to be held in Osaka next month.

President Suharto was accompanied by Foreign Minister Ali Alatas, Minister and State Secretary Murdiono, and Arifin Siregar, ambassador of the Republic of Indonesia to the United States, during the 45-minute meeting. After the meeting, the president proceeded to Paramaribo for a state visit to Suriname until 29 October.

The president, Mrs. Suharto, and their delegation arrived in Washington D.C. on Thursday morning (Thursday evening West Indonesian Standard Time). According to KOMPAS correspondent Taufik H. Miharja, the president had a tight schedule throughout Thursday.

After resting, the head of state held a closed-door meeting with a number of U.S. Government policymakers and researchers or opinion leaders [preceding two words in English] at the Indonesian ambassador's residence. Among the 15 figures were former U.S. Trade Representative Carla Hill; Zbigniew Brzezinski, national security adviser under President Carter; Edward Masters, former U.S. ambassador to Indonesia; Fred Belgsten, chairman of the APEC Eminent Persons Group; and Michael Armacost, former U.S. ambassador to the Philippines.

According to Minister and State Secretary Murdiono, the meeting took place in a very open atmosphere. "The meeting was designed to have the opportunity to tell Americans about Indonesia's position and role in the regional and global political scene," the minister and state secretary said.

The president briefed them on Indonesia's basic views on various major issues as well as the level of the country's economic development.

"There were a number of questions. The president gave his comments. This was a closed-door meeting to enable an open and frank exchange of views. Americans will hopefully have a better understanding of Indonesia after the meeting," the minister and state secretary said. He, however, did not explain the substance of the meeting.

Ambassador Arifin Siregar said that Indonesia initiated the meeting to exchange views on various issues. They want to know why Indonesia is more active in foreign affairs now than 10 years ago.

"The president said that Indonesia first undertook economic development. After reaching a fair level of development, Indonesia has now become more active in foreign affairs. For example, the Nonaligned Movement, which was once confrontational and politically active, is now cooperative and economically active thanks to Indonesia's initative," Arifin Siregar said. [passage omitted]

Minister Elaborates on Talks

BK2810105595 Jakarta ANTARA in Indonesian 0924 GMT 28 Oct 95

[FBIS Translated Excerpt] Washington, 28 Oct (ANTARA) — President Suharto and U.S. President Bill Clinton reaffirmed in Washington D.C. on Friday their commitment to ensuring the success of the APEC [Asia-Pacific Economic Cooperation] summit to be held in Osaka in mid-November. [passage omitted on news conference by White House spokesman Mike McCurry]

Sale of F-16's Must Be Based on Soft Terms

ANTARA reporter Aranz F. Firman, who is accompanying the president during the current overseas tour, quoted President Suharto as telling the U.S. Government that the Armed Forces of the Republic of Indonesia [ABRI] would seriously consider purchasing F- 16 Fighting Falcon jet fighters if Washington offered soft terms such as the issuance of export credits.

"President Suharto will seriously consider the purchase if they offer soft terms," Minister and State Secretary Murdiono said in Paramaribo, the capital of Suriname, in the early hours of Saturday when he summed up the results of talks between President Suharto and U.S. President Bill Clinton at the White House on Friday morning local time or Friday evening West Indonesian Standard Time.

Murdiono summed up the results of the talks between the two presidents in Suriname because the [Indonesian] head of state proceeded straight to Andrews Air Force Base after the White House meeting and flew to Paramaribo. The president was accompanied by Foreign Minister Ali Alatas, Minister and State Secretary Murdiono, Armed Forces Commander General Feisal Tanjung, Ambassadors Arifin Siregar and Nana Sutresna, and several high-ranking officials of the Department of Foreign Affairs during the meeting.

Clinton was accompanied by a number of high-ranking officials such as Vice President Al Gore, Secretary of State Warren Christopher, Commerce Secretary Ron Brown, U.S. Trade Representative Mickey Kantor, National Security Adviser Anthony Lake, Economic Affairs Adviser Laura Tyson, and General Shalikashvili, chairman of the U.S. Joint Chiefs of Staff.

Murdiono quoted the head of state as saying that the soft terms are needed by ABRI because most of the government funds are used to promote the people's welfare. ABRI is a part of the Indonesian nation.

"ABRI in fact needs to modernize itself to suit the current era and technology. Its budget is, however, very limited," Murdiono said. Some time ago, U.S. officials expressed their intention to sell a number of F-16's to the Indonesian Air Force.

In addition to discussing the possibility of the United States selling sophisticated aircraft to Indonesia, the two presidents also discussed preparations for the APEC economic leaders meeting to be held in Osaka on 19 November, as well as other international issues.

The meeting between the two heads of state was originally scheduled to last 45 minutes, but the talks lasted one hour.

Clinton's Hope

Murdiono added that Clinton expressed hope during the hour-long meeting that Indonesia would continue efforts to protect copyrights and patent rights. Clinton praised Indonesia's steps to further promote human rights and improve the situation in East Timor.

On the occasion, President Suharto specifically touched on the displeasure of a number of Americans on large projects in Indonesia and mining activities by Freeport Co. Ltd in Irian Jaya because they felt that the projects had violated human rights and polluted the environment.

"President Suharto stated that good nature should be maintained to ensure the sustainability of development. An enviromental impact analysis must be conducted for every large project," [words indistinct].

President Suharto called on U.S. businessmen to build such infrastructures as telecommunications and electricity to boost economic development that would become more rapid in the coming years," Murdiono said.

The United Nations was also discussed during this very important meeting. The head of state regarded the United Nations as an important forum for developing countries, and urged all countries to strengthen the world body.

"The payment of membership fees to the United Nations is an important matter," Murdiono said. The United Nations is facing various problems because many countries have not paid their membership fees.

Indonesia reiterated that various UN agencies such as FAO and UNIDO should be maintained because of their benefits to developing countries.

President Suharto also raised the debts of developing countries, particularly commercial, bilateral, and multilateral debts. Many developing countries are facing difficulties in repaying their loans.

"The president hopes for U.S. support for steps being taken by the World Bank and IMF to tackle the debts," Murdiono said.

Responding to Indonesia's hope, Clinton reaffirmed Washington's support for the steps being taken by the World Bank and IMF to help poor countries tackle their debts.

President Clinton thanked President Suharto for acting as a "bridge" between the United States and North Korea over the issue of nuclear reactors.

Several months ago, President Suharto sent Ambassador Nana Sutresna to help settle the issue.

Official Investigation Into Timika Case Planned

BK3010070395 Jakarta KOMPAS in Indonesian 30 Oct 95

[Unattributed report — received via Internet]

[FBIS Translated Text] Jayapura, KOMPAS — The Eighth Trikora Military Region Command plans to open an official investigation into the violation of human rights by personnel of the Armed Forces of the Republic of Indonesia [ABRI] in East Timika Subdistrict, Fakfak District, Irian Jaya. The official investigation will begin on 1 November.

Brigadier General Amir Syarifudin, who heads the investigation team,established to resolve the Timika case, told ANTARA on Friday afternoon (27 October) that the commander of the Eighth Trikora Military Region ordered the official investigation following a preliminary investigation conducted in the middle of this month by military personnel from the regional command.

According to data gathered by the investigation team, the human rights violation case in Timika is believed to have been caused by six procedural mistakes.

These six mistakes will be further investigated by a team of the Eighth Trikora Military Police, which has been ordered to complete its investigation by mid-December 1995.

A trial to settle the human rights violation case is likely to be opened in mid-January 1996 in accordance with the pledge of Maj. Gen. Dunija, commander of the Eighth Trikora Military Region, to the Irian Jaya people.

In accordance with procedures, the military police team will conduct the investigation and later submit its findings to the chief military prosecutor of the Eighth Trikora Military Region. If the chief military prosecutor deems that the case should be referred to a high military court, a trial will immediately take place.

Four Officially Under Arrest

Brig. Gen Amir Syarifudin, who is concurrently chief of staff of the Eighth Trikora Military Region, said there will be no engineering in the settlement of the human rights violation case in Timika. The investigation and trial will be open and those found guilty will be punished.

He said four ABRI personnel, a second lieutenant and three noncommissioned officers, are now under military police custody in Biak following the preliminary investigation. The four ABRI personnel are believed to have been involved in a shootout in Hoya Village that left 11 villagers dead. The court will determine whether or not they are guilty.

According to Brig. Gen. Amir, the investigation team will question 27 witnesses, most of whom are East Timika villagers.

Officer: Communists Can Infiltrate Armed Forces

BK3110004195 Jakarta THE JAKARTA POST in English 20 Oct 95 p 2

[Unattributed report]

[FBIS Transcribed Text] Sermarang, Central Java (JP) — A senior military officer says that even the Armed Forces (ABRI), with their tight security arrangements, are vulnerable to communist infiltration.

Major General Syarwan Hamid, assistant to the ABRI chief of social and political affairs, said yesterday that the communists have insidious methods for penetrating virtually any organization, including ABRI and religious groups.

The West Java branch of the Nahdlatul Ulama (NU) reportedly took offense at Syarwan's earlier statement that the Moslem organization had once been infiltrated by members of the now-banned Indonesian Communist Party (PKI).

"With its large membership, can anybody guarantee that the NU is free from communist infiltration?" Syarwan asked during a seminar at Diponegoro University here. "Even ABRI, with its tight security systems, can be penetrated."

The NU currently has some 34 million members and supporters, most of them in rural areas, making it the largest organization in Indonesia.

Syarwan denied yesterday that he had "accused" the NU of having communist links.

Syarwan told a seminar in Jakarta on Saturday that, in the 1960's elements of the PKI had infiltrated various organizations, including, the Sarekat Islam [Islamic federation] and the NU. The PKI was one of the largest political groups in Indonesia before it was banned in March 1966, six months after an abortive coup attempt which the Army blamed on the communists.

The NU's West Java branch said in a statement made available to the press early this week that its members rejected the allegations, as well as Syarwan's statement categorizing the NU as an "extreme right-wing" organization.

"The NU is anti-communist and it is impossible for it to compromise with communist teachings," said the statement issued in Bandung, capital of West Java.

Syarwan said last Saturday that it was nothing new for PKI members to join "extreme right-wing" organizations.

"Long before their rebellion PKI members had experience in infiltrating mass and religious organizations. They entered the NU, student and labor organizations," Syarwan said.

NU said Syarwan's statement was misleading and might harm national unity. They demanded that Syarwan apologize to all NU members for making the remarks.

Jakarta on Threats From 'Formless Organizations'

BK2710144995 Jakarta Radio Republik Indonesia Network in Indonesian 0000 GMT 27 Oct 95

[Station Commentary]

[FBIS Translated Text] The government's warnings to the people about the issue of formless organizations is not aimed at instilling fear or causing panic. It is just to alert people to be aware of the organizations' existence, and thus the people need not feel afraid or become panicked upon being warned. Commenting on the warnings about formless organizations, Susilo Sudarman, coordination minister for politics and security, urged people to increase their alertness to any eventualities. He said that we have to look around and listen to ongoing discussions so that if we come across anything suspicious, it can be reported to the authorities immediately.

Lately, formless organizations have become a popular topic of discussions among the people. Underground organizations generally take advantage of any unfavorable situation, and are active in spreading communist ideology. They usually highlight issues on human rights, justice and openness in their operations. Their easy target is the young generation, especially university students, who had never experienced the hardship brought about by the G30-S PKI [30 September Indonesian Communist Party rebellion] incident.

Following a consultative meeting with Vice President Try Sutrisno in Jakarta yesterday, Sudomo, Chairman of the National Advisory Council, said we must ensure the success of development programs especially the eradication of poverty to counter a possible communist threat. This way, the issue of formless organizations will not become a prolonged polemic, and it is better if not all officials express their opinions. Only authorized officials should brief people so that there will be no contradictory information to confuse the people.

Speaking in the same tone as Susilo, Sudomo expressed his opinion that the most important thing to do to prevent formless organizations from being active is to create awareness among the people and government officials about their existence.

Actually a list of names of former PKI detainees is available in every subdistrict for checking because that is where their records are kept upon their release. Therefore, it is not easy for us to accuse anyone of being a former PKI member, responsible for spreading the issue of the formless organization.

We agree with former Vice President Sudharmono who says the widespread issue of formless organizations and their impact, shows that Indonesia is facing a more complex problem. Therefore, all parties have been urged not to be quick in making accusations, which may eventually cause a split in society.

Minister on Significance of Strategic Industries

BK2710142195 Jakarta ANTARA in Indonesian 0428 GMT 25 Oct 95

[FBIS Translated Excerpt] Jakarta 25 Oct (ANTARA) — Hartarto, coordinating minister for industrial and trade affairs, said that the development of strategic industries agreed to at the Uruguay Round of trade negotiations, ASEAN cooperation and APEC [Asia Pacific Economic Cooperation] meetings is beneficial to Indonesia.

"It has provided the market with opportunities for exporting Indonesia's non-oil and non-gas commodities, a source of investment and technology, and enables our businessmen to identify their competitors in the international market," Hartarto told journalists in Jakarta on Wednesday.

However, business circles should be aware of their own weaknesses so that they can continue to expand in a competitive atmosphere that is getting tighter, he added.

Due to this, he said, the competitiveness of national products can be stepped up by gradually reducing tariffs to 0-5 percent in 2003 as the ASEAN Free Trade Area (AFTA) is being implemented.

Experience has shown that a 0-5 tariff reduction makes industries more secure. Efforts to increase competitiveness should be accompanied by improvement in the industry's capital structure and management that is supported by research and development (R and D).

"Business circles should be given appropriate tax incentives so that they can carry out the R and D program.

This has been done by Indonesia's competitors such as Japan, Malaysia, and Australia," he said.

He said that Indonesian commodities have good opportunities on the international market, and now the government is pushing for it to be opened wider. However, there are two obstacles that are most relevant to the current or future trade situation — stiff competition for products and the open market system under the globalization era.

The two obstacles are the consumers' taste that is varied and is changing fast. For this reason, we should develop industries that produce commodities with strong competition. They are industries that use natural resources as raw materials, employ suitable skilled workers, and apply effective technology. [passage omitted]

Philippines

Ramos Condemns Third French Nuclear Test

BK3010021095 Quezon City GMA-7 Radio-Television Arts Network in Tagalog 2230 GMT 29 Oct 95

[FBIS Translated Text] President Ramos has strongly condemned the third nuclear test conducted by France in the South Pacific. According to the president, France has outrightly ignored calls in the United Nations and in the Non-Aligned Movement to stop nuclear arms testing. However, the president does not plan to impose sanctions against France. Foreign Affairs Secretary Domingo Siazon has warned that diplomatic and political efforts will be increased against French nuclear testing.

UAE Issues 'Light' Verdict in Balabagan Case

BK3010121695 Quezon City DZBB Radyo Bisig Bayan in Tagalog 0800 GMT 30 Oct 95

[Italicized passages in English]

[FBIS Translated Text] [Announcer Rey Pacheco] God has finally heard the prayers of Filipinos for the protection of Filipino domestic helper Sarah Balabagan, after the UAE [United Arab Emirates] court sentenced Balabagan to one year in prison. In observance of UAE tradition, however, Balabagan will be subjected to a lashing in addition to the payment of $41,000 in blood money.

[Begin Ambassador Roy Seneres recording, in progress] ... the verdict has been issued and the verdict is *imprisonment for Sarah for one year starting today. And aside from that, she was ordered to pay diyah [blood money] in the amount of 150,000 dirhams, or roughly $41,000. And, number three, it was also decreed that she should undergo lashes—100 times.*[end recording]

[Pacheco] That was the voice of Ambassador Roy Seneres.

Seneres also clarified that the lashes that Sarah will receive can be considered to be merely *token lashes*, or simply an observance of UAE tradition.

On the other hand, the government has continued its appeal to the UAE Government to convince it not to carry out the lashing. Balabagan had been given the death penalty earlier, but this was commuted after the family of Balabagan's slain employer forgave her.

Malacanang expressed satisfaction over the light verdict by the UAE's Al-Ain appeals court in the Balabagan case, who is a very young Filipino overseas contract worker. Nevertheless, Press Under Secretary Marcelo Lagmay announced that Malacanang hopes that the number of lashes will be reduced as well as the one year prison sentence. Earlier, Foreign Affairs Secretary Domingo Siazon said that it is possible Sarah need not serve the one year in prison because she has already been in prison for more than a year.

President Fidel Ramos congratulated the government officials who followed through the case of the very young Filipino overseas contract worker.

Meanwhile, in contrast to the protest actions of militant groups in front of the Singapore Embassy over the hanging of Flor Contemplacion, a peaceful rally has been staged since last night in front of the UAE Embassy in Makati City. The rally, which is being led by the United Muslims for Sarah Balabagan's Freedom, aims to express gratitude to the UAE Government for withdrawing Balabagan's death penalty. According to Roy Seneres, Philippine ambassador to the UAE, the demonstration is a big boost to Balabagan.

Thailand

Impact of Clinton's UN Address on Drugs Viewed

BK2910122795 Bangkok MATICHON in Thai 28 Oct 95 p 22

[Editorial: "Do Not Twitch if It Is Not True"]

[FBIS Translated Text] The Government House spokesman reacted heatedly to a report in the Thai media based on reports from the United States about the narcotics and money laundering issues. Certain cabinet officials even scolded Thai reporters for filing reports that damaged their own country. The reaction by these government officials stems from their lack of understanding of the two sides of open and secret diplomacy. If they understood they would be able to differentiate the fact that the speech by President Bill

Clinton amounts to open diplomacy, the meaning of which is up to international observers to make their own interpretation.

All foreign news agencies reported the U.S. President's speech in the same way. That is, the President wanted to act against the drug trafficking gang in Cali, Columbia, and he asked for international cooperation against drug trafficking and laundering of drug money. Certainly, that part of his speech did not name any country. If any government were to inquire, the U.S. ambassador, like the news agencies, would insist that President Bill Clinton did not name any country other than the Cali gang in Columbia.

In open diplomacy, unless it is against an enemy, no national leader will name another government so as to avoid offending it. Secretly, however, he will tell his officials to leak to newsmen what countries his government wants to provide cooperation to fight against drug trafficking and laundering of drug money, in case those countries could not interpret whether Clinton's speech was intended for them. The officials who leaked information to newsmen would not identify themselves other than as sources of information. This is what secret diplomacy is about.

Citing sources in the U.S. Government, foreign news agencies all said there are 11 countries, including Thailand, with which the U.S. Government seeks cooperation to combat drug trafficking and laudering of drug money. The spokesman of the Prime Minister's Office and members of the cabinet must understand this secret diplomacy so that they would not launch a tirade against the Thai media. Their tirade against Thai reporters reflects their lack of understanding of long standing international politics and diplomacy.

The Government House spokesman and certain government officials have gleefully pointed out that the U.S. President did not criticize or name Thailand in his speech before the United Nations. But how do they explain the rush to accelerate passage of the anti-money laundering bill? The rush is surely a repercussion from secret diplomacy on the part of the United States that urges Thailand to speed up the bill, which was initiated by the previous government. The United States is concerned that the bill was being shelved by the current government.

Editorial on Need for Legitimacy of Premiership

BK3010124095 Bangkok SIAM POST in Thai 30 Oct 95 p 4

[Editorial: "Our Leader Must Be Free"]

[FBIS Translated Text] It is not important whether or not President Bill Clinton mentioned that Thailand was among countries on the U.S. blacklist for involvement in drug trafficking and money laundering during his speech at the 50th UN anniversary celebration in New York. What is important is this fact: If Thailand was not on the list, according to the news reports, why should we bother about this nonsense?

The Thai Government and people should know better than the United States and other countries whether or not Thailand is a drug producing country or a place where drug money is being laundered. If there is no narcotics production in our country and if our politicians are all clean, how can foreigners point their fingers and accuse us of being guilty?

The Thai leader should have confidence in himself and in the government he leads. Why should he worry about critics if he realizes that his government is an honestly elected government, a government that has been installed by democratic means under the Constitution and not through vote buying?

Prime Minister Banhan Sinlapa-acha, who recently represented Thailand at the UN session in New York, should have been given full support and encouragement by the Thai people. Instead of criticizing and pressuring him all the time, the Thai people should have wished him well so that he could perform his duty with intelligence and wisdom on behalf of the entire nation.

Prime Minister Banhan himself should realize the significance of his role at the UN General Assembly. It was useless just to tell the mass media after completing his mission at the United Nations that it would be written in history that a Thai prime minister once served as chairman of a UN General Assembly session.

A national leader must be dignified. The issue of whether Banhan addressed his audience in Thai or English was not a major problem. Banhan's speech on that day was outstanding; he called for the creation of a peace based on freedom and justice that would pave the way to hapinness and a world free from war.

After performing a distinguished role at the United Nations, the prime minister, who is now back in Thailand, must look after the current public disaster, as the people in Bangkok and the provinces have been plagued by serious flooding.

The prime minister must realize that a good leader has to be equipped with self-confidence and the confidence of his government. To have this confidence, the leader must have legitimacy as a good politician who belongs to a good political party and as a politician who is free. It would be difficult to assume the role of a dignified leader, in his own country or at an international forum, without it.

Minister Surakiat Comments on External Borrowing

BK2810121295 Bangkok BANGKOK POST in English 28 Oct 95 p 15

[Unattributed Report]

[FBIS Transcribed Text] Thailand's external borrowing has been capped at US$3.7 billion for the fiscal year starting this month, Finance Minister Surakiat Sathianthai said yesterday.

The Finance Ministry is considering loan sources and currencies especially those with the lowest foreign exchange risk.

The ceiling was imposed yesterday at an external debt policy committee meeting chaired by Mr Surakiat.

It is US$500 million more than for 1995 because many infrastructure projects need foreign credit. The money will finance 22 major development projects costing $3.19 billion.

Thailand's outstanding external debt totalled $16.12 billion as of August this year.

The committee also imposed an internal debt ceiling for 1996 fiscal year of 14 billion baht to refinance offshore loans used by six state-enterprise projects worth 3.35 billion baht.

The ceiling in the 1995 fiscal year was 30 billion baht, but the state enterprises used only nine billion baht.

Mr Surakiat said the internal debt ceiling would not affect local interest and liquidity.

Somchai Ruchuphan, director-general of the Fiscal Policy Office, said Thailand was able to increase its external debt because of its greater economic stability.

Standard and Poor's increased Thailand's debt rating from A minus to A last September, while Moody's, using its own scale, kept Thailand's rating at AA.

Thailand's debt service ratio to gross domestic product is 10 percent. The public debt accounts for 3.9 percent of this amount. Earlier, the ratio was as high as 25 percent. As Thailand has never missed a debt repayment, its rating has improved, placing the country in a better position to attract foreign loans at low interest rates.

Navy Ponders Arms, Submarine Purchase Plan

BK3010071095 Bangkok THAILAND TIMES in English 30 Oct 95 p A3

[Unattributed Report]

[FBIS Transcribed Text] Bangkok — The Royal Thai Navy is continuing its efforts for arms procurement including submarines to upgrade its fleet like other armed forces, according to a source close to the armed forces.

Attempts by the Navy to purchase two submarines, worth about 1,700 million baht, to operate in the Gulf of Thailand and the Andaman Sea continued although its request in time for the 1996 budget was rejected by the government.

The source said the Navy also planned to purchase second-hand submarines from China, but no discussion was reported during a recent visit to China by Defense Minister Chawalit Yongchaiyut.

Apart from the submarines, the Navy also has a plan to purchase 18 US-made A-7 jet fighters, which are considered as a major force to assist naval operations. The AV-84 jet fighters used to install on aircraft carrier were also included in its purchase plan, the source said.

According to a Navy source, Navy chief Adm [Admiral] Prachet Siridet would certainly push for an approval in 1997 from the Bureau of the Budget in spite the Navy's request has been rejected by the Banhan government for the 1996 fiscal year.

Prachet's move, which began in the period of Defense Minister Gen Wichit Sukmak, was first thwarted by the Chuan Likphai government. But, the new Defense Minister Chawalit Yongchaiyut has instructed the Navy to review its proposal.

The source said the proposed submarines purchase is highly possible as it was part of Chawalit's initiatives to upgrade the armed forces when he was a Army Commander-in-Chief and the Supreme Commander-in-Chief.

"The Navy has sufficient potential arms, but it still lacks submarines, which are considered very important," armed forces deputy chief Ulan Mongkhonnawin told THAILAND TIMES.

However, Adm Ulan, the former chief of Naval Operations Department, said it is the responsibility of Navy chief Siridet to push for the issue.

The source said three US-made P-A3 jets purchased by the Royal Navy from the US is due to be delivered in Thailand later this year.

In additions, the Navy is also planning to purchase six SH-60 VARIANT helicopters (Sea Hawk), whose delivery is expected in 1997.

Meanwhile, a powerful frigate with a drive force of 3,000 tons constructed by the China State Ship-Building Cooperation (OSSC), is due to be delivered to the Navy today at Sattahip naval-base in Chon Buri.

The presentation ceremony will be chaired by Naval Operations Department chief Vice Adm Thamrong Wibunsathian.

The frigate, which has been named as "Luang Taksin", is the second of two ships installed with advanced weapons and systems acquired from Europe and the US.

The first frigate was delivered to the Navy last year.

Police Head Rejects Terrorist War on Thai Soil

BK3110041295 Bangkok THAILAND TIMES in English 31 Oct 95 p A1

[Unattributed Report]

[FBIS Transcribed Text] Bangkok — Police Chief [Pol Gen] Phot Bunyachinda yesterday confirmed that international terrorists would not be allowed to use Thailand as a site for a revenge war.

Pol Gen Phot was commenting on the threat issued by Islamic Jihad to take revenge on Israeli targets around the world after the group's leader was shot dead by an unidentified gunman in Malta.

The assassinated man, Dr Fathi Shakaki, identified by Maltese police as a Libyan businessman, was actually leader of Islamic Jihad, the group confirmed.

Shakaki was shot five times in the head by a gunman on a motorbike outside his hotel last Thursday.

An Islamic Jihad statement has since blamed Mossad, Israel's intelligence agency, for the killing.

AGENCE FRANCE-PRESSE reported from Hebron, West Bank that Palestinians went on strike in several West Bank towns and Gaza yesterday as shutters were closed in mourning for the killing of the Islamic Jihad leader.

Shopkeepers closed their shops in Hebron and Bethlehem, as well as Ramallah and the Gaza Strip, after Islamic Jihad called a strike to protest the murder.

It has blamed the Israeli secret services Mossad for gunning down Shakaki as he was on his way back to Damascus from Libya, via the central Mediterranean island, and vowed to take revenge.

Israel yesterday declared a state of alert against terrorism, fearing a bloody response from Islamic Jihad.

A spokesman at the Israeli Embassy in Bangkok said he believed routine security measures would be sufficient to prevent terrorism acts by Islamic Jihad.

"The embassy has been taking security precautions ever since terrorists have targeted Israel and others. Nothing has changed this routine in the last few days," he told the THAILAND TIMES.

The spokesman said he did not believe that anti-Israeli international terrorists had headquarters in Thailand, because of the strict security measures in force during the many royal events held in Bangkok.

An officer from the Police Special Branch said in an interview over the weekend that police had implemented both direct and indirect security measures to prevent unfavorable situations from developing.

The policeman said Thailand had introduced the measures not only at the Israeli Embassy, but also at the embassies of Mideastern and European countries which support Israel.

The Israeli embassy in Bangkok has faced several bomb threats, including an alleged plot to blow up the embassy in March 1994, when a one-ton bomb was found in a truck near the embassy.

The bomb, made with ammonium nitrate, diesel oil, and C-4 plastic explosives, was found wired to the truck's battery and a switch on the dashboard near the driver's seat. Experts estimated that the bomb as powerful enough to destroy a large building.

Several months ago, the Israeli Embassy moved from Soi Lang Suan, Phloenchit Road, to the more secure 25th floor of the Ocean Tower on Sukhumwit 19 Road. An information official at the embassy yesterday refused to comment on the reason for the move.

Vietnam

President Le Duc Anh Returns From New York

BK2810101695 Hanoi VNA in English 0623 GMT 28 Oct 95

[FBIS Transcribed Text] Hanoi VNA Oct.28 — President Le Duc Anh, his wife and party returned here yesterday, after visiting and attending the celebrations of the 50th anniversary of the United Nations in New York.

While there, President Le Duc Anh addressed the UN celebrations and had talks on separate occasions with presidents and prime ministers of some countries.

He met with Vietnamese residents in the United States and Canada, and received many American friends.

President Le Duc Anh also called at the Vietnamese Permanent Mission to the UN, toured some socio-cultural establishments and museums in New York.

Activities of 26 Oct Assembly Session Reported

BK2810150795 Hanoi Voice of Vietnam Network in Vietnamese 2300 GMT 26 Oct 95

[Report by Quang Huong]

[FBIS Translated Text] Dear Friends: Before listening to cabinet members' answers to National Assembly deputies' inquiry, National Assembly Chairman Nong Duc Manh, on behalf of the National Assembly Standing Committee [NASC], answered a number of questions on the regulation on the rights and duties of Vietnamese organizations that have received or rented land from the state. He said that this regulation, issued by the NASC on 14 October 1994, is in conformity with the NASC authority, and continues to be effect.

However, while implementing this regulation, many localities still violate the Law on Land. In these places, land is granted by unauthorized organs. Particularly, millions of square meters of land in Hanoi have been granted by unauthorized organs. In many other localities, the unauthorized granting of land — which violates the Law on Land — has not been accounted for. This is a prominent and urgent issue that needs to be dealt with. National Assembly Chairman Nong Duc Manh continued:

[Begin Nong Duc Manh recording] I also reconfirm that the regulation does not change anything from previously promulgated regulations. It only supplements other regulations and its supplement is a new policy, line, and method that requests us to study thoroughly ways to overcome our shortcomings and mistakes when we promulgate a regulation; we must be especially careful when we supplement new stipulations.

Therefore, I suggest that the [14 October] regulation is still in effect because among different enterprises, some enterprises need to be granted land, but not all enterprises not engaging in agriculture, business, aquaculture, and salt production want to be granted land. Some enterprises only want to rent land. Therefore, in my opinion, stipulations on rented land are still be implemented. [end recording]

While answering questions put forth by the National Assembly deputies, Finance Minister Ho Te concentrated on financial issues, especially debt settlement in its second stage. After mentioning the real situation of the second stage of debt settlement, including its difficulties, problems, and causes, Finance Minister Ho Te cited seven measures to basically, gradually, and satisfactorily solve debts among existing state enterprises, non-operational state enterprises, and private enterprises and debts guaranteed by people's committees at all levels.

After explaining about the collection of fees for land use, Minister Ho Te also explained other issue which cause much concern to national assembly deputies. That is the management of the collection of fees and charges. According to him, so far, most major fees and charges — which accounted for more than 40 percent of all fees and charges — have been managed satisfactorily. These fees and charges also accounted for about 80 percent of money collected from all fees and charges.

The budget collection from fees and charges has been increasing every year, from 148 billion dong in 1991 to 1,323 billion dong in 1994. However, in order to satisfactorily manage the fees and charges, Minister Ho Te suggested:

[Begin Ho Te recording] However, due to a lack of regulations with high legal responsibility on fee collection and management, the fee management has been very limited in the past. In particular, some fees and charges collected by local authorities before the introduction of Regulation No. 276 issued by the government are still carried out. Some sectors and local authorities still collect different types of fees, which they are not qualified to collect or these fees are already included in other fees. For example, the fee on land measurement is still collected while the government already collects a cadastral fee. The parking and storage fee, the fee for granting land, the fee for the granting of permission to provide means of transport, and the fee for precious stone trading are still illegally collected also.

Another shortcoming is that we have not clearly defined the content, concept, and scope of the new adjustment on the collection of fees and charges. Consequently, in management, fees and charges are still mixed up with taxes and revenues collected from the rendering of services, causing a loss to the state budget, and creating difficulties for sectors and organs involved. We have not introduced a uniform policy on the use of fees.

In order to overcome problems in the management of the collection of fees and charges, since 1994, the government has presented three draft regulations on fees and charges to the NASC to legally regulate the collection of fees and charges. However, this issue is big and complicated. Time is needed for investigation and compilation of statistical figures. Therefore, all of our three presentations to the National Assembly were not passed by the National Assembly because our presentations were not completely perfect. The issue is big, and we did not fully understand the situation, our presentations were not clear, and our legal foundation was not perfect.

Therefore, in the coming period, the government, especially the Ministry of Finance, will pay attention to opinions offered by the NASC and the resolution of the eighth party Central Committee plenum to continue to perfect and present to the NASC for approval the regulation on fees and charges so that the management of fees and charges in the coming years can be satisfactorily regulated. [end recording]

While reporting on the results of foreign cooperation and investment in Vietnam, Minister Dau Ngoc Xuan, chairman of the State Commission on Cooperation and Investment, said that since 1988, capital investment into our country has been increasing continuously, from $350 million in 1988 to $7.5 billion in 1995.

Foreign investment has increased about 40 percent every year, excerpt for an increase of 80 percent in 1995 over 1994. About 65 percent of foreign capital is invested in heavy industry, light industry, communication and transport, and infrastructure, while the rest is invested in tourist and hotel services.

As of September 1995, our country has 1,200 foreign projects in operation. However, in the field of foreign cooperation and investment, there are many problems that need to be overcome, Minister Dau Ngoc Xuan said:

[Begin Dau Ngoc Xuan recording] Foreign investors complain a lot about the backward condition of our infrastructure, embarrassing investment procedures, and the relatively high risk in the Vietnamese market. They all recognize that the Vietnamese political and social situation is stable. Therefore, there is no political risk. This is the most attractive prospect for them. But in the economic aspect, there are many risks which may affect their business results such as high inflation, unstable market, smuggling, corruption, unreasonable accounting system, unreliable electricity and water service, unclear taxation policy, difficult transaction of foreign currency, poor means of transport, and so forth.

After obtaining an investment license, a foreign project will encounter numerous difficulties. In particular, the clearing of land and land compensation sometimes take up to two or three years, causing a delay in the investment. [end recording]

Minister Dau Ngoc Xuan also mentioned investment capital in foreign joint ventures.

Issues relating to the welfare of meritorious servicemen have been given attention by some National Assembly deputies. They suggested Tran Dinh Hoan, minister of labor, war invalids, and social welfare answer their inquiry. He said that the regulation on preferential treatment of individuals who have rendered meritorious services to the nation was signed by the state president on 10 September 1994 and came into effect as of 1 January 1995. The number of meritorious servicemen may total more than 6 million people. As of 20 October, 48 provinces and cities have completed the payment of support benefits to 1.2 million meritorious servicemen. However, this regulation is relevant to a system of policies in many sectors; and many issues have been considering for further action such as the policy on housing and land for the meritorious servicemen. Therefore, the Ministry of Labor, War Invalids, and Social Welfare is cooperating with related sectors and echelons to study submitting to the government more policies for these people. In order to satisfactorily implement the regulation on preferential treatment of individuals who have rendered meritorious services to the nation, Minister Tran Dinh Hoan suggested:

[Begin Tran Dinh Hoan recording] In order to satisfactorily implement the regulation and decree on preferential treatment of individuals who have rendered meritorious services to the revolution, all sectors and echelons need to pay attention to the following issues:

1. Continue to conduct wide propaganda to the public on concepts and contents of policies for each type of meritorious servicemen.

2. Strengthen, consolidate, and accelerate the activities of steering committees for the implementation of this regulation at all levels; and divide responsibilities among related sectors so that they can fully carry out their work.

3. Increase the number of cadres to ensure the full, correct, and quick implementation of welfare policies for meritorious servicemen. [end recording]

Dear friends, also on 26 October, the National Assembly heard the following:

— Answers from Trade Minister Le Van Triet on the import situation and the granting of import licenses for certain goods such as sugar and motorcycles;

— Answers from Minister Phan Ngoc Tuong, head of the Government Organization Committee, to questions concerning the reform of the state administrative system and the restructuring of the organizations of the government and of a number of government agencies;

— Answers from Tran Hong Quan, minister of education and training, to questions concerning state budget allocations for training; college, university, and vocational high school entrance examination fees; school tuitions; and negativism in the granting of diplomas and certificates;

— Answers from Minister of Health Nguyen Trong Nhan to questions concerning measures to prevent the deterioration of health care infrastructure and facilities, state budget allocations for the health care sector, health insurance, and medical care and treatment for the poor;

— Answers from Tran Hoan, minister of culture and information, to questions concerning the conservation of national cultural relics and prevention of the proliferation of cultural materials with unhealthy contents;

— Answers from Minister of Water Conservation Nguyen Canh Dinh to questions concerning flood and typhoon control and prevention and water conservation planning in the Mekong River Delta;

Apart from common issues that are raised by the National Assembly deputies and answered by cabinet members at the conference hall, National Assembly Chairman Nong Duc Manh reported that many other deputies requested answers to their questions. These questions are related to the responsibility of ministries and sectors for the increase of cement prices and the issue of consumer goods prices, as well as questions regarding the trial of certain legal cases. Chairman Nong Duc Manh suggested that related ministries answer each deputy in writing.

On 27 October, the National Assembly will continue to work at the conference hall to pass the law on amendments and supplements to the law on business tax, the law on special consumption tax, and the import-export tax scale, and other issues.

National Assembly's Eighth Session Closes 28 Oct

*BK2810155495 Hanoi VNA in English
1426 GMT 28 Oct 95*

[FBIS Transcribed Text] Hanoi VNA Oct. 28 — The eighth session of the National Assembly ended this afternoon with the approval of the civil code and other laws and documents.

The National Assembly, which met in Hanoi from October 3rd-28, passed the civil code, the first in Vietnam to date, with 352 out of the 354 votes (392 deputies totally), the law on amendments and supplements to the law on organization of the people's court with 351 out of the 357 ballots.

Four resolutions were overwhelmingly adopted before the end of the session. They are resolution on law-building programme from now to and the termination of the 9th legislature of the National Assembly, including 14 draft laws, 26 draft ordinances, resolution on the 1996 tasks, resolution on the final statement of the 1994 state budget, and resolution on planned state budget for 1996.

"In 1996, Vietnam will strive for the rise by 9-10 percent for GDP, 4.5-4.8 percent for agriculture, forestry and fishery, 14-14.5 percent in the industrial output, 12-13 percent for service industries, 27-28 percent in import-export turn-over. It will step up efforts for a food output of 28 million tonnes and an inflation rate below 14 percent", says the National Assembly.

In his closing speech, National Assembly Chairman Nong Duc Manh said:

"To obtain the main objectives set for the 1996 socio-economic development, the National Assembly has laid a special emphasis on measures to be taken to keep the financial situation healthy, first of all, to put inflation under control and get rid of the re- emergence of galloping inflation rate and prevent price hike."

"At the same time, efforts must be made to increase budget revenues by making full use of every potential available, practising thrift and combating wastefulness with a view to balancing the state budget. It is also necessary to encourage and mobilize every resource and potential as well as make more effective the use of capital resources for development," Mr Manh told the deputies. He added:

"While building key economic regions, due attention should be paid to developing other regions and areas as well as other important economic branches and sectors. It is also essential to develop human resources, boost cultural and educational development, improve the people's living conditions, expand external relations and ensure national defence and social security.'

Later today, head of the National Assembly Office Vu Mao called a press briefing in connection with the closing of the National Assembly session.

Deputies Vote on Laws

*BK3010074595 Hanoi Voice of Vietnam Network
in Vietnamese 1100 GMT 28 Oct 95*

[FBIS Translated Text] Dear friends: Today is the final working day of the Ninth National Assembly's eighth session. In the morning National Assembly deputies worked at the conference hall and voted to pass the last two parts — Part VI [Roman numeral six] of the Intellectual Property Rights and Technological Transfer and Part VII [Roman numeral seven] on Civil Relations with Foreign Factions Involved — of the Civil Code. The National Assembly also passed laws on the amendment of and supplement to a number of articles of the law of the people's court.

In the afternoon, the National Assembly held its closing session. Attending the closing session were Comrade General Secretary Do Muoi, State President Le Duc Anh, Prime Minister Vo Van Kiet, National Assembly Chairman Nong Duc Manh; Adviser to the Party Central Committee Vo Chi Cong, and a number of representatives from various ministries, branches, and sectors of the central government and Hanoi.

In the first hours of the afternoon session, the deputies heard Comrade Vu Mao, on behalf of the Secretariat, read a draft resolution of the National Assembly on the tasks to be carried out from now until the end of the Ninth National Assembly's term and a draft resolution on the 1996 tasks.

After hearing a number of deputies contribute their views on the two aforementioned draft resolutions, the National Assembly voted to pass these two draft resolutions.

Comrade Ly Tai Luan, chairman of the National Assembly's Economic and Budget Committee, read a National Assembly resolution that ratified the 1994 state budget final balance. The National Assembly then voted to pass this resolution.

Next, Comrade Ly Tai Luan, read a draft resolution on the 1994 state budget estimate.

After hearing the deputies contribute their views on the draft resolution on the 1996 state budget, the National Assembly voted to pass this draft resolution.

After the four aforementioned draft resolutions were passed by the National Assembly, National Assembly Chairman Nong Duc Manh delivered his closing speech to the Ninth National Assembly's Eighth session:

[Begin Nong Duc Manh recording] Dear leading party and state comrades, dear National Assembly deputies, and distinguished guests: Today, the SRV Ninth National Assembly has finished the agenda of its eighth session. During this session, with a sense of responsibility toward the people nationwide and with a sense of urgency and positiveness, the National Assembly focused its wisdom and time on examining and correctly appraising the situation regarding the implementation of the tasks and state budget for 1995 in accordance with various National Assembly resolutions. The National Assembly decided on the orientations and tasks and the state budget estimate for 1996, and ratified the final balance of the 1994 state budget.

The National Assembly examined and passed the Civil Code and a resolution on the enforcement of this Civil Code. The National Assembly also examined, amended, and revised a number of articles of the law on business tax, the law on special consumption tax, the law on the amendment of and supplement to a number of articles of the law on organization of the People's Court, as well as a legislating program for the period from now until the end of the term for the Ninth National Assembly. The National Assembly decided to form a number of new ministries upon the merger of certain ministries and ministerial-level organs. It ratified a prime minister's proposal on the appointment and removal of certain cabinet members. The National Assembly gave its views on an activity report of the National Assembly's Standing Committee and Nationalities Council, and other committees of the National Assembly, as well as the Supreme People's Court and the Supreme People's Organ of Control, on a proposed national financial policy and on a draft law on state budget. The National Assembly also made decisions on other important issues.

To contribute to today's success, our compatriots and combatants nationwide, with a determination to work diligently and creatively and to remain self-reliant, have over the past year worked hard and scored new achievements of significant importance in all domains — economic, social welfare, national defense and security, foreign relations, and so forth.

The government and various government agencies, the Supreme People's Court, the Supreme People's Organ of Control, various sectors and echelons and relevant organs, veteran revolutionaries, National Assembly delegations, National Assembly deputies, and the people nationwide made positive contributions in preparing for the session, especially their contributions toward building the Civil Code, an important law that institutionalizes party policies and lines on civil relations in the new stage of national development, thus rendering it possible for the Civil Code to reflect the aspirations and desires of the entire people and to clearly manifest those special characteristics of the long-standing principles, good morals and good customs, and other fine traditions in the history of the Vietnamese nation closely relating to the daily life of our people.

News agencies and newspapers performed their duty to propagate and disseminate information on the session. Other service organizations overcame difficulties in creating favorable conditions for the deputies to fully exercise their duties and rights. This demonstrated the close relationship between the people and the National Assembly, creating a basis for the National Assembly to examine and decide on important national issues.

On this occasion, the National Assembly expresses its hearty praise and sincere gratitude to these valuable contributions. [applause]

[Nong Duc Manh recording continues] Dear National Assembly deputies: Achievements and shortcomings in carrying out the 1995 tasks as appraised and analyzed by the National Assembly at this session will serve as valuable experiences for the days ahead. Tasks in 1996, the first year of the 1996-2000 five-year plan require our entire party, armed forces, and people to make their utmost efforts and energy to continue to accelerate the renovation undertaking so as to attain national industrialization and modernization, achieve a higher economic growth, and build an even firmer and stronger economy. We must strive to resolve pressing social issues while making greater efforts to improve our economy, to developing cultural and social activities, maintaining national defense and security, consolidating and promoting relations with foreign countries, improving the people's daily life, increasing reserves for the economy, and creating conditions and facilities for our people to firmly advance into the 21st century.

Indeed, our tasks are very heavy. This is because while we have fundamental advantages we also face numerous difficulties and ordeals. It is necessary to point out that our economic productivity, quality, and results are still low. Our legal system is not yet perfected; and waste, corruption, smuggling, and social vices in many localities have not been contained or stopped. Our cadres' capabilities in economic and social management, especially macro-management at various echelons and sectors, are not up to standard. Weaknesses are still prevalent in the cultural, educational, and public health domains. All these shortcomings require us to make greater efforts to overcome them.

To fulfill the 1996 tasks, the National Assembly calls for efforts to formulate effective measures to improve the financial and monetary situation beginning with efforts to contain and control inflation. We must strive to eliminate the danger of inflation and its recurrence, prevent swift prices increases, strive to increase state revenue collection by exploiting all the existing capabilities, create and accumulate new incomes, strictly practice thrift and oppose waste to increase economic accumulations, overcome state budget constraint, promote the mobilization of all resources, and effectively exploit capital for investment development. While striving to develop key regions, we must pay special attention to building essential economic areas. We must strive to develop our work force, improve cultural and educational domains, strengthen social welfare activities, expand foreign relations, and ensure national defense and security. These are very important factors in attaining economic growth and stabilizing various domains in our country. The general achievements in 1995 have positively and effectively contributed to the implementation of our state's independent, self-supporting, and open-door foreign policy under the motto: Vietnam wants to befriend all countries in the world community for the sake of peace, national independence, and development.

The National Assembly highly appraised our state foreign activities over the past period and called for more efforts to continue developing the attained achievements, strive to expand friendship and multifaceted cooperation with countries in Southeast Asia and other regions in the world and international organizations, and contribute to creating a more favorable international environment for renovation undertaking. The National Assembly also called for efforts to continue to build and perfect the state of the Socialist Republic of Vietnam with special attention given to further developing the state management so as to build a pure and capable administration to effectively exercise its authority and step-by-step modernize its apparatuses to actively and satisfactorily carry out the state affairs. Efforts must be made to ensure that the society develops in a healthy manner and on a correct path, strive to improve the people's daily life, build a new lifestyle, and abide by the Constitution and the state laws.

The fact that many resolutions in the Civil Code and other laws were passed by the National Assembly during this session is significant in the implementation of various tasks. The National Assembly has requested that the government and relevant organizations promptly outline their plans to organize the implementation of various National Assembly resolutions, issue guidelines on enforcing these laws, and widely disseminate these guidelines among the people so that the National Assembly resolutions can be deployed and carried out uniformly and effectively from the central to the grassroots level.

In 1996, it will be necessary to address all complaints and denunciations from citizens in a gradual and effective fashion, trying to effect new changes for the better regarding public suggestions. At the same time, efforts must be made to continue to satisfactorily carry out the National Assembly resolution on thriftiness and fighting wastefulness, corruption, and smuggling. We must take resolute and stern actions against those corrupt state officials who help smugglers. By implementing this task satisfactorily, our state's prestige will improve and the people's confidence will be strengthened, thus creating a basis for us with which to motivate the people to strive to satisfactorily carry out the 1996 tasks set forth by the National Assembly.

In overcoming difficulties and ordeals, the need to prevent and control natural calamities must be regarded as a permanent task for our country on its road toward development. Recently a number of central provinces and the Mekong River Delta have been flooded, causing heavy losses in terms of human lives and property. The National Assembly hails the efforts made by the government, by various sectors and echelons, and by the people for promptly overcoming the aftermath of the flood. With deep feelings for the losses suffered by our people in those areas, the National Assembly appeals to compatriots and combatants nationwide as well as our overseas compatriots to develop the traditions of "Loving Other People Just As We Do Our Own" and "Helping Cover Damaged Leaves With Those Still Intact." We must continue to help our compatriots in these areas to stabilize their livelihood and restore production.

Dear National Assembly deputies: The development that bears the continuity character of our national economy over the past five years — which has been made possible by our own efforts and by achievements scored in broadening our foreign relations and foreign economic relations — has allowed our country to embark on a new stage of greater and steadier development.

The National Assembly appeals to our compatriots and combatants nationwide as well as our overseas compatriots to remain united and singled minded and to develop what has been achieved during the five-year 1991-95 period. The National Assembly urges the people to strive to overcome all difficulties and ordeals, to make full use of all opportunities available and dispel all dangers, trying to achieve those remaining targets for the final months of 1995 as well as the 1996 tasks in accordance with various resolutions of the National Assembly.

I hope that while exercising their duties, the National Assembly deputies will uphold their role and duty as the people's representatives by increasing their efforts to supervise and inspect the implementation of various important targets and tasks set forth by the National Assembly. Together with the people and various sectors and echelons nationwide, they should score greater achievements to help generate new strengths and stature so as to advance our country vigorously along the path of industrialization and modernization — the path toward achieving the goals of making the people prosperous, the country strong, and the society equitable and civilized.

I hereby declare the Ninth National Assembly's eighth session closed. [applause] [end recording]

Last Communique Issued

BK2810161195 Hanoi Voice of Vietnam Network in Vietnamese 1430 GMT 28 Oct 95

[Communique No. 22 issued by Vietnamese National Assembly in Hanoi on 28 October]

[FBIS Translated Text] In the morning of 28 October, the National Assembly held its work at the conference hall under the direction of National Assembly Vice Chairman Phung Van Tuu on the following contents:

1. The National Assembly continued to pass the civil code bill and the resolution on the execution of the civil code. Minister of Justice Nguyen Dinh Loc, on behalf of the working group for the study and admendment of the civil code bill, explained the adoption and adjustment of the remaining parts of the bill according to opinions offered by National Assembly deputies. Fourteen deputies expressed their views on supplementing and correcting some concepts, phrases, and words in the bill. They are Huu Tho of Vinh Phu; Pham Quang Du of Ho Chi Minh City; Nguyen Truc Luyen of Cao Bang; Nguyen Viet Dung of Ha Bac; Chu Thuy Quynh, Chu Duy Kinh, Pham Thi Tran Chau, Vu Dinh Cu, and Vu Quan Phuong of Hanoi; Tran Van Phac of Hai Hung; Tran Thi Le Thu of Binh Dinh; Ca Kha Sam of Son La; Ha Dang of Phu Yen; and Hoang Bich Son of Binh Thuan. With high unanimity, the National Assembly voted to pass the sixth part on the right to intellectual property and on technology transfer, the seventh part on civil relations with foreign factors involved, and the entire text of the civil code bill.

Nguyen Van Yeu, deputy chairman of the National Assembly's Justice Committee [NAJC], on behalf of the National Assembly Secretariat [NAS], read an investigative report on a draft resolution on the execution of the civil code. The National Assembly voted to pass the resolution on the execution of the civil code.

2. The National Assembly passed the law on amendments and supplements to some articles of the law on the organization of the people's courts. Pham Hung, chief justice of the Supreme People's Court, on behalf of the Legislation Compilation Committee, the NAJC, and the NAS read a report on adopting the National Assembly deputies' opinions and amendments to the draft law on amendments and supplements to some articles of the law on the organization of the people's courts on administrative courts and labor courts. NAJC Deputy Chairman Nguyen Van Yeu, on behalf of the NAS, read the entire text of the bill on amendments and supplements to some articles of the law on the organization of the people's courts. Deputies Nguyen Trong Nhan of Nam Ha and Tang Nghia of Ha Tinh offered additional opinions on

amendments to some contents and concepts in the bill. With high unanimity, the National Assembly voted to pass the law on amendments and supplements to some articles of the law on the organization of the people's courts.

In the afternoon, under the direction of National Assembly Chairman Nong Duc Manh, the National Assembly passed a resolution on the legislative building program from now until the end of the official term of the ninth National Assembly, the resolution on 1996 tasks, the resolution on the finalization of the 1994 state budget, and the resolution on 1996 budget estimates. NAS Leader Vu Mao read the full text of the draft resolution on the legislative building program from now until the end of the official term of the ninth National Assembly, and the resolution on 1996 tasks. The following deputies expressed their views on certain issues relating to the aforementioned resolutions: Hoang Minh Thang, Nguyen Don, and Mai Thuc Lan of Quang Nam-Da Nang; Vu Tuat Viet of Ho Chi Minh City; Nguyen Trong Nhan of Nam Ha; Hoang Dinh Cau of Ha Tay; Vu Manh Rinh of Thai Binh; Ton That Bach and Le Quang Dao of Hanoi; Bui Duc Luan of Haiphong; Nguyen Dang Lam of Bac Thai; Nguyen Thi Hong Minh of Minh Hai; Nguyen Ngoc Tran of An Giang; Tran Quoc Thai of Ha Tinh; Le Thanh Binh of Tra Vinh; Le Trung Thanh of Nghe An; Bui Bich Lien of Lam Dong; Nguyen Chi Ben of Ninh Thuan. With high unanimity, the National Assembly voted to pass the resolution on the legislative building program from now until the end of the official term of the ninth National Assembly and the resolution on 1996 tasks.

Ly Tai Luan, chairman of the National Assembly's Economic and Budget Committee, on behalf of the NAS, read the full text of the draft resolution on the finalization of the 1994 state budget and the draft resolution on 1996 budget estimates. The following deputies expressed their views on certain issues relating to the resolution on 1996 budget estimates: Ho Te and Nguyen Ngoc Hai of Haiphong, Nguyen Hong Hai of Hanoi, Nguyen Nhu My of Nghe An, Bui Huu Hai of Vinh Phu, Tran Thi Nhan of Quang Ngai, Tran Quang Ngoc of Nam Ha, and Nguyen Ba Thanh of Quang Nam-Da Nang. With high unanimity, the National Assembly voted to pass the aforementioned resolutions.

At 1610 on 28 October, after National Assembly Chairman Nong Duc Manh delivered the closing speech of the National Assembly session, the military band played the national anthem. The eighth session of the ninth National Assembly was satisfactorily concluded.

Australia

Evans Argues Legality of Nuclear Weapons at ICJ

BK3110023595 Melbourne Radio Australia in English 0100 GMT 31 Oct 95

[FBIS Transcribed Text] Australia's Foreign Minister Gareth Evans has been highly critical of France's nuclear testing program during his address to the International Court of Justice [ICJ] in the Hague. Majella Anning reports Senator Evans told the court continued testings by both France and China were an affront to the international community.

[Begin recording] [Anning] Australia had a unique opportunity to again register its protest against nuclear testing in an international forum. The international court has begun hearings into whether the use or threat of nuclear weapons is legal. The case has been heard at the request of the World Health Organization and the UN General Assembly.

Sen. Evans argued that customary international law had evolved to the point where generally accepted humanitarian principles made any use of nuclear weapons, including testing them, could be considered illegal [sentence as heard].

[Evans] A fact remains that the existence of nuclear weapons as a class of weapons threatens the whole civilization. It cannot be consistent with humanity to permit the existence of a weapon, which threatens the very survival of humanity. [end recording]

Stance 'Will Not Affect' U.S. Ties

LD3010171695 Melbourne Radio Australia in English 1600 GMT 30 Oct 95

[FBIS Transcribed Text] Australia says its call for the International Court of Justice [ICJ] to declare nuclear weapons illegal will not affect its relationship with the United States. The Australian foreign minister, Gareth Evans, was speaking at a news conference in The Hague after urging the ICJ to find nuclear weapons illegal. He also said his call had no implications for defence facilities in Australia which were shared with the United States.

The court has been asked by the United Nations General Assembly and the World Health Organization to give a non-binding, advisory opinion on whether the threat or use of nuclear weapons is illegal. Australia was the first nation to present its case at the hearing, which is to last two weeks.

Senator Evans also used the news conference to make another attack on France over its nuclear testing program, describing it as utterly unnecessary.

Appearance 'Political Exercise'

BK3110062695 Hong Kong AFP in English 0610 GMT 31 Oct 95

[FBIS Transcribed Text] CANBERRA, Oct 31 (AFP) — Australia's bid to have nuclear weapons declared illegal by the world court, amid outrage over French nuclear testing, was described by the opposition here Tuesday as a cynical political exercise.

Opposition foreign affairs spokesman Alexander Downer said the government's argument was completely irrational while Australia remained part of the ANZUS (Australia-New Zealand-United States) defence alliance.

His attack followed Australia's submission, presented by Foreign Minister Gareth Evans, to the International Court of Justice (ICJ) in The Hague on Monday that the court should find nuclear weapons illegal if it decided to make any ruling.

In a rare display of unity, the conservative opposition coalition has backed government opposition to French nuclear testing, but little else.

Downer said if Australia meant what it said it would have to follow New Zealand's example from the 1980s, when it refused entry to U.S. warships, and withdraw from ANZUS.

New Zealand's Nuclear Zone, Disarmament and Arms Control Act came into force in 1987 effectively repelling the end of its part in the 1951 tripartite ANZUS defence agreement.

The United States would not declare whether its warships were nuclear armed or capable, so were banned from New Zealand ports. In retaliation the U.S. dropped all top-level political contact as well as military and intelligence cooperation with Wellington.

"Either Senator Evans is serious in what he said to the Court of Justice, in which case Labor logically wants to tear up the ANZUS alliance, or else Senator Evans is just having us on," Downer told the Australian Broadcasting Corp.

"How can we go on military exercises with U.S. defence forces when those forces may or not be carrying nuclear weapons and in effect be condoning what the Australian Government now believes to be illegal activity.

"The fact is the Australian Government for years and years and years has effectively condoned American defence strategy through the ANZUS alliance and the centre of that American defence strategy is nuclear deterrent.

"The government's argument is completely irrational. This is the height of cynical politicking by Senator Evans and by the Labor Party. They have just taken politics that one step too far."

Evans said after his submission to the ICJ that Australia's declaration had no implications for its joint communications facilities with the United States at Pine Gap and Nurrunger.

Australia was the first nation to present its case at the ICJ which has been asked by the World Health Organisation (WHO) and the UN General Assembly to give a non-binding advisory opinion on whether the threat or use of nuclear weapons is illegal.

UK's Major Faulted on Nuclear Test Remarks

BK3110074395 Hong Kong AFP in English
0725 GMT 31 Oct 95

[FBIS Transcribed Text] SYDNEY, Oct 31 (AFP) — British Prime Minister John Major drew renewed attack from Australia Tuesday following his agreement with French President Jacques Chirac to "pursue and deepen" their nuclear cooperation.

"It is clear that John Major is now out on his own," Trade Minister and acting Foreign Minister Bob McMullan told reporters here. "He is isolated from world opinion and he's isolated from British public opinion."

"If John Major thinks this is all okay, perhaps he should ask Mr. Chirac to test his bombs in the United Kingdom."

But McMullan added: "We should not divert ourselves from the main game, that is that the French are doing these tests and Australia will continue to mobilise international opinion against these tests."

McMullan is acting as foreign minister in place of Gareth Evans who presented Australia's submission to the International Court of Justice in The Hague on Monday that it should find nuclear weapons illegal if it makes any ruling.

The latest barrage by McMullan followed talks in London on Monday at which Major and Chirac agreed to strengthen their nuclear deterrence while "maintaining the independence" of their nuclear forces.

The fates of the two European nuclear powers were now "inextricably linked", Major told Chirac, commenting on the warmth of Anglo-French relations.

The leader of Australia's conservative opposition, John Howard, joined the government Monday in condemning fellow conservative Major, accusing him of weakening efforts to stop French nuclear testing. "Mr. Major fails to understand the hostility in both Australia and amongst Pacific nations to the French tests," Howard said.

Major angered many governments overseas with his comments at the weekend supporting France and saying it was only living up to its responsibilities as a nuclear power with its latest nuclear test.

France triggered a new wave of international condemnation by conducting the third of what is now expected to be a reduced series of six underground tests at Mururoa atoll in French Polynesia on Saturday (late Friday GMT).

Major said in Chirac had no choice but to go ahead with the South Pacific tests.

Protesters Stop Ship Loading Uranium for France

BK3110031695 Hong Kong AFP in English
0304 GMT 31 Oct 95

[FBIS Transcribed Text] Darwin, Oct 31 (AFP) — Greenpeace demonstrators Tuesday stopped a container ship from docking to load Australian uranium to protest against French nuclear testing.

But a mining company official said the demonstrators had "missed their mark by a mile" because the uranium was going to the United States and Canada, not France.

A Greenpeace spokesman said in a statement that one activist was locked to the anchor chain of the MV Clydebank in Darwin harbour, in northern Australia, while other protesters were circling the ship in small boats.

Spokesman Ben Pearson said the ship was due to load uranium oxide from the Ranger mine in the Northern Territory for delivery to Europe.

"Australians have no guarantee that this uranium will not end up in the French nuclear weapons program," he said.

But the managing director of Energy Resources of Australia Ltd (ERA), Phillip Shervington, described the protest as "rather futile" because the uranium was destined for North America and for peaceful purposes.

ERA operates the Ranger mine, which supplies uranium to power producers including Electricite de France.

New Zealand

Bolger 'Frustrated' by Third Nuclear Test

LD2810114195 Wellington Radio New Zealand International in English 0700 GMT 28 Oct 95

[FBIS Transcribed Excerpt] Prime Minister Jim Bolger says he is frustrated and extremely disappointed at the news that France has carried out it third underground nuclear explosion. The blast is believed to have been under 60 kilotons, or the equivalent of 60,000 tons of TNT. The prime minister says the French ambassador will be summoned to the beehive [as heard] on Monday where he will be told again of New Zealand's opposition to the testing. [passage omitted]

Bolger Comments on UK Stance on Nuclear Tests

BK3110101795 Hong Kong AFP in English
0949 GMT 31 Oct 95

[FBIS Transcribed Text] WELLINGTON, Oct 31 (AFP)—New Zealand will host a state luncheon for British Prime Minister John Major next week despite his support for French nuclear testing in the region, Prime Minister Jim Bolger said Tuesday.

"I'm not into boycotts," he told reporters.

However, Bolger said Major's increasingly defiant stance reduced the prospect of consensus on the nuclear issue at next month's Commonwealth Heads of Government Meeting (CHOGM).

Major arrives next week for a short visit leading up to the meeting.

Opposition Alliance Party leader Jim Anderton on Tuesday called for the state luncheon for Major to be scrapped in light of the British leader's stance.

"If you went out in the street now I would guarantee you there would be a lot of people who would say why the hell are we spending our money on a dinner for somebody who's as bad as (French) President (Jacques) Chirac," he said.

"Does Majoı not know we are protesting? Does he not know we have high expectations of Britain and that we are very upset that he would rub our nose in the dirt?"

Anderton said he would boycott the luncheon.

Opposition Labour Party leader Helen Clark said she would attend, but take the opportunity to make her views on Major's stance clear to him.

Major, in meetings with French President Jacques Chirac this week, made a number of statement on the current series of French nuclear tests on the South Pacific Muroroa Atoll.

Major said Chirac had no choice but to follow recommendations from his military advisers that the testing was necessary.

"On that basis I have offered the president my support for the action he has taken," Major told reporters in London.

The two leaders at the same announced closer co-operation on "all aspects" of their defence relationship, including nuclear weapons issues.

Bolger said the luncheon for Major would not be cancelled, nor Britain's assistance to New Zealand on other issues such as access to European markets should not be forgotten. But, he added, Major's stance will have an impact at the summit.

"There is no question that there are leaders coming to CHOGM who are very strong in their opposition to nuclear testing," he said.

"The issue will be on the table at CHOGM and it may be that we won't find a consensus, that there will not be a formulation that will capture all views.

"Obviously on this issue there will be more than one point of view."

Bolger said it had been clear for some time that Britain and France intended to co-operate on nuclear issues, and that was the reason Major had not condemned the nuclear tests.

He hoped their co-operation would include steps to work for the elimination of nuclear weapons, which both nations had committed to under the terms of the nuclear non-proliferation treaty.

McKinnon Delivers Antinuclear Message to Envoy

BK3010054095 Melbourne Radio Australia
in English 0100 GMT 30 Oct 95

[FBIS Transcribed Text] New Zealand's Foreign Minister Don McKinnon, says he has given a strong antinuclear message to French Ambassador Jacques le Blanc, telling him France has done immense damage to its reputation.

A message, delivered during a 10-minute meeting, came as antinuclear protestors invaded the roof of the French Embassy, setting off sirens and blowing whistles. The protest lasted about two hours before diplomatic police escorted the group down.

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